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## Awaiting 'Magic Word' On the Golan Heights

### Hopes for Gesture by Syria in Geneva Mix With a Dose of Caution in Israel

By Clyde Haberman  
New York Times Service

JERUSALEM — After months of being shoved to the side, Israel's peace talks with Syria are about to regain center stage, but senior Israeli officials say they do not know if the negotiations can be pulled out of the bog they are in.

The key for them is the meeting scheduled Sunday in Geneva between President Bill Clinton and President Hafez Assad of Syria, an encounter that has received such a buildup here that one could be forgiven an impression that the rest of Mr. Clinton's European journey is a mere cover for his appointment with the Syrian leader.

Israelis want Mr. Assad to give the U.S. president "the magic word," as one official put it: a statement that he is ready to "normalize" relations with Israel in return for an Israeli withdrawal from the strategically important Golan Heights, which Israel captured from Syria in the 1967 war and virtually annexed in 1981.

If he raises the prospect of "normalization" — defined by the Israelis as diplomatic relations, open borders and trade — then "he will find in Israel a partner ready to do business with him," Deputy Foreign Minister Yossi Beilin has said.

The inevitable dilemma would be Israeli recognition of Syrian sovereignty over the Golan Heights, paving the way for an eventual withdrawal.

Despite more than two years of talks and occasional glimmers of hope for progress, the two nations have been basically gone nowhere. Syria offers peace, but says it first wants Israel to commit itself to leaving the Golan, where 13,000 Israeli troops are stationed. It is prepared to pull back, at least partly, but first wants to hear what the Syrians mean by peace.

The question now is whether the equation is about to change and, if so, whether it will be enough to qualify as a breakthrough.

Some Israeli officials and academic experts see an imminent shift, arguing that Mr. Assad will not risk going to Geneva empty-

handed if he wants to improve relations with the United States, especially to get Syria removed from Washington's list of countries that sponsor terrorism.

Among other subjects likely to be taken up are the fate of several hundred Jews remaining in Syria; possible Syrian involvement in Middle East drug trafficking; Syria's links to Iran; its abetment of radical Palestinian groups; and its continued purchases of advanced weapons from North Korea.

But the core issue is generally considered to be the future of the Golan, a source of much of Israel's water and a plateau that Syria had used before 1967 to shell northern Israeli settlements.

"I would guess that this is the time for Assad to say publicly, or at least to whisper in Mr. Clinton's ear, what he means by full peace," said Moshe Maoz, a Hebrew University professor who specializes in Syrian affairs.

The optimists have been encouraged by certain signals, such as the reported remarks last week by Vice President Abdel Hafim Khaddam of Syria that "normalization" was a part of the talks with Israel. That is hardly the same as having Mr. Assad say it out loud, but to some officials here it was a step in the right direction.

If the talks in Geneva go well, the United States is expected to announce a resumption of long-suspended peace talks in Washington on Jan. 24, not only between Israel and Syria, but also among Israel and Jordan, Lebanon and the Palestinians.

The Palestinian task, however, has been overtaken by the "declaration of principles" signed in September by Israel and the Palestine Liberation Organization, whose negotiators are struggling to turn it into a workable agreement.

Not all Israelis are sure they will hear "magic words" from Geneva.

Foreign Minister Shimon Peres, normally a leading optimist, has cautioned that Mr. Assad will not risk going to Geneva empty-

## The Visitor Wobbled on A Diplomatic Tightrope

By R. W. Apple Jr.  
New York Times Service

MOSCOW — American Presidents used to come here to treat with monarchic governments. On his arrival this week, Bill Clinton found no real government at all, but rather two inchoate groups, one composed of reformers, the other a mix of go-slow pragmatists and counterreformers, all struggling for power, staggering into an unforseeable future.

That put the young, inexperienced president on something of a diplomatic tightrope, fighting to keep his balance. He did not fall off, but he did not make it across without a few wobbles.

"I thought the tone was excellent," said a senior European diplomat who had never seen Mr. Clinton in action before. "He never conde-

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sended to them. He told them how great their country is, which they need to hear, especially from the mighty Americans.

"He said their country was not the only one with problems, and he talked about his own difficulties in pushing health-care reform through Congress. He also told them, as they have learned to their cost, that the free market doesn't have all the answers."

The president and his senior aides chose to spend most of their time with the leader of the first group, President Boris N. Yeltsin.

Only at a reception Thursday night at Spaso House, the U.S. ambassador's residence, did he briefly encounter the second group, mingling with and praising members of all parties in the new parliament. His national security adviser, W. Anthony Lake, spent most of his time there with the leader of the semi-reformed Communist Party, with whom the Americans may want to do business.

Upping his bet on Mr. Yeltsin, Mr. Clinton chose not to visit the parliament, not to speak at length to its members, not to hold substantive meetings with its leaders, at least partly because the legislative hierarchy has not yet solidified. He held four long meetings with Mr. Yeltsin.

There is a "with-us-or-against-us" mentality in this country, which Clinton has chosen to accept, said a British long resident in Moscow. "He chose not to stress the importance of parliament, because parliament is obviously Yeltsin's adversary. He opened not an inch of space between himself and Yeltsin, although Yeltsin is in decline, arguably terminal decline."

Other people noticed, too, and some objected, as have critics in Washington, to what looked like excessive identification with one man.

"Mr. President," a man in Red Square said to Mr. Clinton during his televised town meeting, "we're getting an impression you're supporting not so much the reforms in Russia but the personality of Mr. Yeltsin."

Mr. Clinton, who had answered a similar question a few moments before, replied once again, saying, "I'm the president of the United States. I should be open to meeting with and listening to all the democratic voices in Russia. But in the end, I still have to work with your president."

For all the danger that awaits the Russian politician who overidentifies with the United States, Mr. Yeltsin spoke of "my friend Bill Clinton." It was said, as it has been repeated at every summit meeting for decades regardless of

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Mr. Clinton in a Moscow studio Friday taking questions from his audience. Viewers in far-flung cities, participating by video hookup, were also able to pose their questions.

## Clinton Urges Russia to Stay On the Road To Reform

### In TV 'Town Meeting,' He Pleads With Viewers To 'Choose the Future'

By Serge Schmemmann  
New York Times Service

MOSCOW — President Bill Clinton plunged into a nationally televised "town meeting" Friday to urge Russians to stay the course toward a free market and democracy and to find a "new definition of Russia's greatness."

Clearly stimulated by provocative questions from a youthful audience at the Ostankino television center in Moscow and similar groups in video hookups from other cities, Mr. Clinton was alternately professor, politician and preacher. He counseled Russians to "choose the future."

"I come here as a friend and supporter of the democratic changes going on in this nation," he told them. "I hope that my nation and I can make a positive contribution, in the spirit of genuine and equal partnership."

He added, "In the end, you will have to decide your own future. I do not presume to do that."

The telecast was the first such live appearance ever by an American president in Moscow.

Russia's lower house elects an anti-reform Communist as speaker. U.S. grapples with politics of wreath-baying in Belarus. Page 5.

and it offered Mr. Clinton a nationwide audience for the central theme of his visit — to declare America's support for Russia's embattled reforms and its struggling president, Boris N. Yeltsin.

If any reminders were needed, the opening days of Russia's new parliament provided them constantly. On Friday, while the presidents were meeting in the grand halls of the Kremlin, the new State Duma elected a devoted Communist as its speaker. And the rightist Vladimir V. Zhirinovskiy caused another furor, as he was shunned by another deputy who resented that the demagogic nationalist had been given preferential treatment at the parliament canteen. (Page 5)

The main agreements that did emerge dealt largely with the troublesome arenas left over from the Cold War.

The major bonus of Mr. Clinton's journey was realized at the start of the day when President Leonid M. Kravchuk of Ukraine joined Mr. Clinton and Mr. Yeltsin in signing a statement in which Ukraine agreed to turn its strategic nuclear warheads to Russia for dismantling in exchange for security assurances and compensation in the form of nuclear fuel.

All three presidents hailed the "trilateral statement" as a break in what a senior American official described as Ukraine's "stall mode."

Mr. Kravchuk has signed agreements at least twice to surrender the weapons, which are blocking the implementation of major disarmament treaties between the United States and Russia. But the Ukrainian legislature has not ratified the pacts, convinced that without the missiles Ukraine would become irrelevant to the West and vulnerable to Russia.

The statement signed Friday was less a for-

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## After Steep Falls, Markets In Asia Regain Footing

By Michael Richardson  
and Lawrence Malkin  
International Herald Tribune

Reversing several days of sharp falls, most Asia-Pacific stock markets rebounded on Friday, with Malaysia scoring the strongest gain. The composite index of the Kuala Lumpur Stock Exchange jumped 10.2 percent.

The rises, however, failed to make up for recent heavy losses when investors, led by American and Japanese institutions, dumped stock to take profits in what were widely viewed as overheated markets.

The Kuala Lumpur stock market had lost nearly 15 percent of its value in the three days before Friday.

Analysts said that an assurance Thursday by Mahathir Mohamad, the Malaysian prime minister, that the government believed the fall in share prices was temporary because Malaysian companies had a sound base had helped to revive confidence in both the Kuala Lumpur and Singapore exchanges, which trade many of the same companies.

In Singapore, the benchmark index rose 4.92 percent. The Asia-Pacific component of the International Herald Tribune World Stock Index rose 2.81 percent, to 119.74.

Brokers said buying on Asia-Pacific exchanges on Friday came from both foreign and local sources. "People felt the markets had been sold down too aggressively," said James Bax, Managing Director of Baring Securities (Singapore) Pte Ltd. "There is still a lot of money around and the fundamentals of most regional economies are still strong."

But he cautioned that Asia-Pacific stocks were likely to be volatile in the next six months as investors cashed in on huge gains made over the past year and shifted funds to other areas.

The stock market in Japan, which some fund managers have said is due for a re-rating after a dismal performance to the last two years, staged a late afternoon rally. Tokyo's Nikkei average gained 2.13 percent.

"New York shares are starting to recoil from

highs, and since other Asian stock markets are overheated, foreigners are pouring into" the Japanese market, a trader at Tsheyo Securities in Tokyo told Reuters.

In Hong Kong, the Hang Seng index surged 5.87 percent.

Steven So, an analyst at Jardine Fleming Securities in Hong Kong, said that the rebound of shares in the colony was "quite strong but we need to break above 11,000 to reverse the downward trend" set by the market's plunge this week.

The Hang Seng index ended at 10,774.25, up 597.74 points, after plunging 5 percent on

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## Tokyo Tries to Cut North Korean Pipeline

By David E. Sanger  
New York Times Service

TOKYO — In the first crackdown on companies exporting high-technology goods to North Korea since the nuclear standoff with the country began, the Japanese police seized companies throughout the Tokyo area on Friday, searching for evidence they had shipped electronic instruments that could aid the North's wide-ranging efforts to build new missiles.

The raids came after the United States, trying to bolster its effort to bring the North's nuclear and missile projects to a halt, quietly pressed Japan to stop what appears to be a steady flow of electronics and other goods to the government in Pyongyang. American intelligence officials have said in recent weeks that they are tracking several efforts by the North Koreans to purchase critical electronic parts in Japan, chiefly to improve the missile accuracy.

Although it was unclear how the equipment in the latest investigation reached North Korea — test instruments that can improve a missile's ability to track targets — Japanese and Ameri-

can officials say much of it is purchased by Koreans who live in Japan but profess loyalty to Kim Il Sung, the North's 81-year-old leader.

The Korean-Japanese are also believed to be the source of \$600 million to \$1 billion that flows across the Sea of Japan annually, one of the nearly bankrupt North's biggest sources of revenue.

Japan has said that it would try to stop the flow of money to the North only after the UN

debate over satellite exports to China heats up after a U.S. ban is eased. Page 4.

imposed sanctions against Mr. Kim's government for keeping international nuclear inspectors at bay. But it appears to be trying to tighten the controls on technology.

"So far, our control over what is going to North Korea has been very, very loose," a senior Japanese official conceded earlier this week, before the raids. But the baggage of passengers who travel to North Korea via ferry

from Niigata is still not searched, apparently because of Japan's fear of prompting trouble with its North Korean.

The equipment being investigated was considered "dual use," meaning that it could be used for both civilian and military purposes. But the "spectrum analyzer" for radio waves that the police are trying to track is included on the Cocon list of restricted technology. The phrase refers to the Coordinating Committee for Multilateral Export Controls. News reports suggest that the Ministry of International Trade and Industry might have been duped into issuing a license to ship the equipment, based on a falsified application.

At a news conference, Hiroshi Kamegaki, minister of international trade and industry, said he had instructed his staff to "deal with the situation."

Mr. Kim's government has already built its own version of Soviet missiles and has shipped many to the Middle East. Japanese officials are

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## Japan's Bad Guys: Out of Fashion and Out of the Script

By T. R. Reid  
Washington Post Service

TOKYO — The last Japanese gangster is about to bite the dust — in the movies, at least. Toei Studios, the only major studio here still making films about the yakuza, Japan's version of the mafia, will pull the plug on mob movies because hardly anybody goes to see them any more, a spokesman said.

This ignominious exit from the film world is just one more insult to the once-proud Japanese underworld, which has lost thousands of members and much of its fearsome stature since the government launched a war on organized crime two years ago.

Since the anti-gangster law went into effect in 1992, the public attitude has really turned against the gangs," said the Toei spokesman, Kunyaki Fukunaga. "It's hard to make heroes out of the yakuza any more."

One reason gangster films tend to flop in Japan is that Japanese fans are spending their pocket money on U.S. movies by Sylvester Stallone and Arnold Schwarzenegger, which offer far more blood and guts than domestic-made cinema.

In fact, there is plenty of murder and mayhem on Japanese screens both large and small, even though violent crime in real life is relatively rare. The popular samurai dramas appearing on national television most nights of the week routinely leave dead bodies by the dozen in the

turf. American horror and mass-murder films are staples of late-night television.

But Japanese shooften-up films do not make money anymore.

"For one thing, the large majority of moviegoers in Japan now are female," said Haruo Mizuno, one of Japan's most prominent film critics. "They don't have any interest in gangster films. Second, the TV networks won't show gangster movies during golden time, and without a TV sale movies don't have a big enough return."

The gangster-with-a-heart-of-gold was once a standard of Japan's film industry. The most famous movie gangster here, Ken Takakura, never even carried a gun; he dispatched his foes with a samurai sword instead. This reflected the public perception of the yakuza as a kind of Japanese Robin Hood, helping ordinary people against the establishment.

For decades, the mob and the police carried on in a state of peaceful coexistence. In recent years, however, the yakuza lost whatever popu-

larity they had as they moved into such businesses as loan-sharking and protection rackets, which tend to harm ordinary citizens. With the advent of the Violent Groups Control Law early in 1992, the police embarked on a major crackdown, with broad public support.

Gradually, all the big studios except Toei stopped making gangster movies. The last yakuza movie that made a profit was in fact an anti-yakuza movie.

That was "Mob Woman," made in 1992 by Juzo Itami, the director known in the West for films like "A Taxing Woman" and "Tampopo." Mr. Itami's movie made fun of the yakuza — and they paid him back. Three mobsters were convicted of slashing the director's face with knives after jumping out of a car, Japan's equivalent of a drive-by shooting.

Unbowed, Mr. Itami held a news conference from his hospital bed to denounce the yakuza once again. The whole incident seemed to in-

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### Kiosk

## Mobutu Dissolves Zaire Parliament

KINSHASA, Zaire (APF) — President Mobutu Sese Seko, who has been jockeying for years with pro-democratic forces in Zaire, on Friday ordered the dissolution of the parliament, the government and the High Council of the Republic.

In a message to the nation, Marshal Mobutu said that agreements signed between his supporters and the opposition had meant "an immediate consequence of the dissolution of the present government of transition."

### Wider NATO Games?

BONN (Reuters) — Germany and Denmark may hold joint land-based military maneuvers with Poland as an early, concrete result of NATO's initiative to increase cooperation with former Warsaw Pact states, Germany's commander in chief, General Klaus Naumann, said Friday.

### When and How?

Ending the world recession

The series resumes Monday, with a look at Japan. With unemployment heading to levels not seen since World War II, will Tokyo's plans for economic stimulation do any good?

Also in Monday's Trib, Patricia Wells posts her first list of the world's 10 best restaurants with her fourth report — from France — on great places to dine.

Dow Jones		Trib Index	
Up	24.77	Up	1.17%
New York	3,867.20	New York	112.27
The Dollar		Previous Close	
DM	1.7503	DM	1.7513
Pound	1.4935	Pound	1.497
Yen	110.95	Yen	111.85
FF	5.9415	FF	5.9385

Newsstand Prices

Amsterdam	9.00 FF	Luxembourg	48 L.F.
Ankara	11.20 FF	Morocco	12 Dh
Antilles	7.00 CFA	Qatar	8.00 Rials
Caribbean	7.00 CFA	Reunion	11.20 FF
Egypt	9.00 FF	Saudi Arabia	9.00 R.
France	9.00 FF	Senegal	200 CFA
Germany	4.00 CFA	Spain	200 PTAS
Greece	300 Dr.	Tunisia	1,000 Din
Ivory Coast	500 CFA	Turkey	12,000 Lira
Jordan	1 JD	U.A.E.	8.50 Dirh
Lebanon	US\$ 1.50	U.S. M.R.	(Elev.) \$1.10

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# Defying NATO, Croatia Puts Jets Into Bosnia Fight

By John Pomfret

**WASHINGTON Post Service**  
SARAJEVO, Bosnia-Herzegovina — Croatian Army jets and helicopters attacked Muslim positions in central Bosnia twice in a 24-hour period, United Nations officials said Friday. The raids marked another flagrant violation of the NATO-enforced air-exclusion zone in Bosnia and a major escalation of Croatia's involvement in the war in Bosnia.

Croatian Army helicopters directed fighter jets in a rocket attack against the Muslim-held Bratstvo ammunition factory near the central Bosnian city of Travnik on Thursday afternoon as well as around the Vitez area on Thursday morning, the UN military officials said.

"It seems that helicopters were directing fighters into the attack," said Lieutenant Colonel William Aikman, a spokesman for the UN Protection Force in Bosnia.

While Colonel Aikman declined to identify the aircraft as belonging to the Croatian Army, he added that he did not believe the mostly-Muslim Bosnian Army possessed fighter jets. No Serbian forces operate in the area, and UN sources later confirmed that the Croatian Air Force had been responsible for the attacks.

The air raids — around Travnik and also the village of Pocitelj just south of Vitez — mark a significant intensification of Croatia's direct involvement in the war in Bosnia.

For months, Croatian Army units have quietly been backing Croatian paramilitary forces in Bosnia as part of a plan to carve out a predominantly Croatian mini-state inside the former Yugoslav republic.

Recently, however, Bosnian Croats losses to Muslim forces prompted President Franjo Tudjman of Croatia to publicly warn that his army would support Croatian forces in Bosnia.

Mr. Tudjman's threat prompted counterattacks by Western officials that international economic sanctions could be imposed on Croatia if it continued to intervene in Bosnia. UN officials in Sarajevo said that the air attacks indicated that Mr. Tudjman had not taken such warnings seriously.

The attacks also highlight what many UN officials see as a failure of NATO plans to enforce the air-exclusion zone.

In December, according to UN officials, Serbian forces flew helicopters and fixed-wing aircraft during an assault on Muslim positions near the northeast Bosnian town of Trnopolje. The Bosnian Serb paramilitary commander, Ratko Mladic, directed his forces' assault on the strategic mountains of Igman and Bjelasnica over the summer from the cockpit's seat on a helicopter. Muslim forces also regularly fly helicopters, but are

not believed to possess any operational military airplanes.

NATO pilots have been given a laborious series of rules to follow before they are allowed to attack aircraft that violate the air-exclusion zone. Repeated requests must be made for the aircraft to land, and there are strict orders to the NATO pilots not to fire unless fired on.

Since the flight ban was put in place, no violators have been shot down and the only time NATO pilots came close to firing, according to NATO officials, the target was a Bosnian Army helicopter carrying war casualties.

The Croatian Air Force attack on Thursday occurred in an area in central Bosnia where Muslim forces have trapped an estimated 68,000 civilians and paramilitary fighters. The strategic Lasva Valley lies like a figure eight along a road connecting Vitez with Busovaca.

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Armor of the UN Nordic Battalion in Pancevo, Serbia, waiting Friday for deployment by rail to Tuzla, Bosnia, after a three-month delay.

## France's Top Communist Steps Down, Undaunted

By Alan Riding

**PARIS** — During Georges Marchais's two decades as leader of the Communist Party here, support for his movement fell from 21.4 to 9 percent of the electorate. Then, as a final blow, the collapse of the Soviet Union undermined the very ideology that he had long espoused.

But as he prepares to retire as leader this month, Mr. Marchais, 73, a former metalworker with trademark bushy eyebrows, says he sees no reason to apologize for being a Communist. "I don't view what has happened as a personal failure," he said.

If French communism is not too well today, he said, it is because his party formed a coalition that brought François Mitterrand's Socialist Party to office in 1981. And when the Socialists turned to the right and betrayed their common platform, he said, the Communists were also — unfairly — blamed.

He is equally convinced by his own explanation of the demise of the Soviet Union: it stagnated under Leonid I. Brezhnev and crumbled under Mikhail S. Gorbachev because its leaders failed to engage the people. "I told them, 'If you don't change, you're heading for catastrophe,'" he said.

So his faith in the future remains intact. "Have you ever known a moment when the crisis of capitalism was deeper?" he asked in an interview this week. "Socialism in the East has failed, but capitalism is not the future. We must go toward a new society, and we believe it will be a Communist society."

In truth, the past of the French Communist Party looks far rosier than its future. It led the fight against fascism

before World War II, it played a key role in the Resistance against Nazi occupiers, it was the single largest party in the late 1940s, and, in the early 1970s, Washington again worried that it could reach power.

Today, it holds only 23 seats in the 577-member National Assembly and, with its once-powerful labor movement badly weakened and students no longer easy targets for recruiters, the party has been reduced to a bit player on a political stage dominated by conservatives, who won a stunning victory in parliamentary elections last year.

France has changed, then. And even with 12 percent of the work force unemployed, the Communist Party has so far made few gains. For many here, it is a throwback to an era that has gone forever. For many leftists, it has little hope of recovery as long as Mr. Marchais remains.

His retirement is therefore a watershed, an opportunity to renew the party, to open it up to other leftists, to make it relevant to the millions who are unhappy about the current situation, even perhaps to change its name. Or is it?

Sitting at his desk in the glass-fronted party headquarters designed by Oscar Niemeyer, the Brazilian architect and Communist, the burly old boss did not sound ready to retire. "I will still be a member of the party," he said. "I am a deputy in the Assembly, and that's an important part of my work as a Communist."

More to the point, he appears intent on holding onto much of his power. In a letter written from a hospital bed after a hip operation last September, he gave his age and occasional health problems as his reasons for stepping down when the 28th party congress is held here this

month. The party's dissidents seem resigned to remaining sidelined. Charles Fiterman, who served as a minister in the Socialist-led government from 1981 to 1984, has described the succession process as "quasi-monarchical." Anicet Le Pors, another former Communist minister, said Mr. Marchais was a man of "positive instincts and disastrous initiatives."

For the retiring secretary-general, though, the dissidents offer no proof that his leadership is democratic. "If we weren't democratic, we would have thrown them out," he said. "Instead, they have high positions in the party. Since I took over, we have never expelled anyone."

Rather, he said, looking back over his long tenure, he believed his main achievement was to modernize the party. "Its gravest mistake was that for a long time it considered the Soviet Union to be a model," he said. "From 1972, when I took over, that's what we questioned. The new society had to be built on what France is."

"When I joined the Communist Party in 1947, if I had known that Stalinism existed and what it was, I would never have signed up," he said, overlooking the fact that by then Stalin had already been in power for two decades. "When I found out about Stalinism in 1956, I decided to stay on and fight for change. I have done my bit to bring change, and I am proud of that."

Although Communist parties in Italy and Spain changed their names to escape association with the Soviet debacle, Mr. Marchais refused to follow suit. "It would be hypocrisy," he said. "I see no reason to abandon the name of a Communist party that has played such an important role in our history."

## Mass March Is Still Planned in Paris Over Schools

Compiled by Our Staff From Dispatches

**PARIS** — French state schoolteachers, parents and leftist parties predicted Friday that hundreds of thousands of protesters would march through Paris on Sunday despite the annulment of a disputed private schools financing law.

Organizers said the demonstration, which is likely to be the biggest since the center-right Prime Minister Edouard Balladur took office last March, would take place as planned, to warn the government against any further attempt to divert public cash to church schools.

The authorities predict that 170,000 to 200,000 people will march Sunday from the Place de la République to the Place de la Nation. The procession is also expected to cut across to the western part of the city, along the Grands Boulevards, Boulevard Malesherbes and Avenue de Villiers as far as the Porte de Champeret.

All private cars will be kept from the area starting at 10 A.M. Sunday. The demonstration starts at 11 A.M. and will end in the afternoon.

The ruling Thursday by the nine-member Constitutional Council was seen as the first major blow against the popular prime minister.

"The demonstration is more than ever necessary," said Michel Deschamps, who heads the largest state teachers' trade union. "The Constitutional Council has stopped a worsening in the state of public education but has in no way solved its problems," he told Radio Luxembourg.

About 2,500 buses and 100 trains have been hired to carry marchers to the capital, and the police will have more than 4,000 officers on duty.

"The protesters aim to demonstrate not only against the law presented by Education Minister François Bayrou but also in defense of the state education system," said Jean-Paul Trippay of the National Committee for Lay Education, which is coordinating the 80 organizations and political parties taking part.

"We do not believe the ruling will change anything."

The law, hurried through the legislature in the middle of the night last month, would have allowed unlimited spending by local authorities on the maintenance of private — mainly Roman Catholic — schools. Mr. Balladur said the aim had been to enable rundown schools to meet safety standards.

But proponents of secular state education, including President François Mitterrand, a Socialist, saw it as a bid to funnel already limited resources into private rather than public schools.

The Constitutional Council ruled that the central article lifting a 140-year-old limit on local contributions to private school repairs failed to guarantee equality of treatment for public and private schools or among private schools.

(Reuters, AP)

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## WORLD BRIEFS

### Italian Election Is Forecast for March

**ROME (Reuters)** — President Oscar Luigi Scalfaro met parliamentary leaders on Friday to discuss dissolving Italy's Parliament, and a cabinet minister said a date for early elections, widely considered as a watershed in Italy's corruption crisis, could be announced Sunday.

Indications abounded that Mr. Scalfaro, who canceled his weekend engagements, was about to order elections in late March to replace the Parliament, which had been undermined by the exposure of entrenched corruption in Italy's political old guard.

Mr. Scalfaro is constitutionally obliged to consult the speakers of the upper and lower houses, Giovanni Spadolini and Giorgio Napolitano, before he can dissolve Parliament. Political commentators expect Sunday, March 27, as the likeliest day for the election. Most voters are expected to desert the parties that ran Italy for 40 years.

### Sinn Fein Leader Seeks to Visit U.S.

**DUBLIN (NYT)** — The leader of Sinn Fein, the political arm of the Irish Republican Army, renewed an application on Friday for a visa to visit the United States that was denied by President Bill Clinton two months ago.

The new application from Gerry Adams, which is expected to be referred to Mr. Clinton in the next few days, was widely seen as an attempt to increase recognition for Sinn Fein as it decides whether to accept the offer to join peace negotiations regarding Northern Ireland.

In denying a visa for Mr. Adams two months ago, Mr. Clinton said Mr. Adams was being barred under laws precluding visas for terrorists. No decision on the current application is expected before next week, when Mr. Clinton returns to Washington from Europe.

### Top Lawmakers Back Move to Berlin

**BONN (AP)** — Leaders of parliament agreed Friday to abandon this Rhine River city and move with the chancellor and his ministers to Berlin by the year 2000. Chancellor Helmut Kohl has already set that date as the deadline for transferring the chancellor's office and ministries back to Berlin, the seat of power before the German's division after World War II. But Mr. Kohl cannot move the parliament without the lawmakers' approval.

During a meeting with Mr. Kohl, parliamentary leaders of the main parties said that Germany's 662 federal lawmakers would follow the chancellor's plan for leaving Bonn. Mr. Kohl wants to start transferring ministries out of Bonn by 1998 and have them in place by 2000. Rudolf Scharping, the leader of the opposition Social Democrats, supported the move but said he thought it would take more than two years, and possibly as many as eight.

The Finance Ministry says 20 billion Deutsche marks (\$11.5 billion) will be needed to construct new buildings in Berlin, remove old ones and compensate Bonn for jobs lost due to the move. The government hopes the transfer will make East Germany feel better about reunification, which in the East has been followed by high unemployment and an increase in crime.

### Leakey Quits Kenya Wildlife Post

**NAIROBI (AP)** — The paleontologist Richard Leakey submitted his resignation Friday as head of the Kenya Wildlife Service to protest what he called a campaign of "vilification" against him by senior politicians. Tourism Minister Katana Njiru said last Saturday that Mr. Leakey's position as director would be reviewed after an investigation into allegations of corruption and mismanagement in the Wildlife Service. The minister said the allegations included claims of irregular employment practices and illegal collection of funds from the public.

Mr. Leakey said that he had learned of the investigation from the minister's statement and that when he asked about the nature of the investigation, he was told it was none of his business. "I am forced to ask, therefore, whether this is a probe or a smear," he said.

### India Outrage Over Police Tattooing

**AMRITSAR, India (AP)** — The tattooing of the word "Jehkari," which means "pickpocket," on the foreheads of four women has sparked a national outcry over police brutality.

The women, in the northern state of Punjab, say their foreheads were tattooed by policemen to settle personal scores. The police say outraged citizens branded the women after they picked someone's pocket. Although it is not unusual in rural India for petty criminals to be punished by being paraded on the back of a donkey with their faces blackened and wearing a garland of slippers, this is the first time that criminal suspects have been tattooed.

### Bonn Admonishes Tehran on Rights

**BONN (Reuters)** — Germany, widely criticized for maintaining far closer trade and diplomatic ties with Iran than most other Western countries, urged Tehran on Friday to respect human rights, lift a death edict on the British author Salman Rushdie and pardon a German sentenced to death on charges of spying for Iran.

Foreign Minister Klaus Kinkel made the demands in a meeting in Bonn with Mohammed Javad Larjani, deputy chairman of the Iranian parliament's foreign relations committee.

A ministry statement said Mr. Kinkel stressed to Mr. Larjani that keeping up a dialogue is important, but that this requires all issues to be openly and sincerely discussed, particularly human rights. Germany has pursued a dialogue with Iran at a time when most Western nations are keeping it at arm's length.

### Steps Toward Mexico Peace Reported

**SAN CRISTOBAL DE LAS CASAS, Mexico (Reuters)** — Mexico's presidential peace envoy, Manuel Camacho Solis, said Friday that there had been "important advances" in efforts to end a 14-day peasant uprising in the southern state of Chiapas, and the Mexican Army said fighting was dying out in the region.

But Mr. Camacho warned that the peace process could be a long one. He said he was returning to Mexico City on Friday to brief President Carlos Salinas de Gortari, who appointed him earlier this week to seek an end to the rebellion by the self-styled Zapatista National Liberation Army.

## TRAVEL UPDATE

### El Al to Resume Flights to Sweden

**STOCKHOLM (Reuters)** — El Al will resume flights to Stockholm's Arlanda airport next month after a four-year break over Sweden's refusal to let the Israeli airline carry armed guards. Sweden has since dropped its objections.

An El Al spokesman in Stockholm said Friday that the first flight would be Feb. 16. He said El Al planned two flights a week between Stockholm and Tel Aviv. During a visit to Sweden by the Israeli foreign minister, Shimon Peres, in August, Sweden agreed to amend a law so to allow people responsible for the safety of others to carry weapons aboard airlines landing in Sweden.

British Rail, short of cash and resigned to running swift new French trains on old track over the Channel Tunnel opens, said Friday that it had no plans to remove a crossing near Ashford in Kent, so the hi-tech trains will have to slow down to around 60 miles (97 kilometers) an hour.

Qantas Airways will end its Sydney-San Francisco nonstop service, but add flights on the Los Angeles route, beginning March 27. (Bloomberg) Singapore Airlines will begin service to Capetown via Johannesburg on a weekly basis, starting March 25. (AP)

## Relieved Sigh From Sydney As Fires Come Under Control

**SYDNEY** — The worst fire crisis in Australia in 200 years is over, relieved fire fighters said Friday. "We've won," newspaper posters screamed in fire-ravaged Sydney.

Hundreds of reinforcement fire fighters who had been flown, bused and trucked into the state of New South Wales to battle more than 100 out-of-control blazes in the last two weeks will be sent home over the weekend.

"I can say the worst is over," Phil Koperberg, commander of the state's bushfire services, said Friday. "The critical threat to communities around the state is over, but the mopping up is still to be done. It has been hell."

Although many fires still burned across the state, all were in unpopulated areas and most were under control. Cooler temperatures and gentler winds since Wednesday allowed fire fighters to undertake extensive control burning, which deprives fires of fuel, and water-bombing.

The infernos, which killed four people, destroyed about 200 homes and burned 600,000 hectares (1.5 million acres), have caused about 150 million Australian dollars (\$104 million) in damage.



# THE AMERICAS / PROFESSOR AND PRESIDENT

## ★ POLITICAL NOTES ★

### Reno Reviews the Special Counsel Lineup

WASHINGTON — As Attorney General Janet Reno began reviewing possible candidates to serve as special counsel, Justice Department officials were grappling with an equally significant issue: Defining the scope of an investigation that could become an open-ended inquiry into Arkansas business affairs and hang over President Bill Clinton for much of his tenure.

In requesting that Mr. Reno name an outside prosecutor, Bernard Neuharth, the White House counsel, asked only that the prosecutor investigate the "Whitewater matter." This was a reference to the real estate development firm half-owned by the president and Hillary Rodham Clinton that bought and sold property during the 1980s. But Whitewater is only a slice of a much broader Justice Department investigation that has been under way for months. It touches on a host of related matters: the failed Madison Guaranty Savings & Loan Association owned by the Clintons; the Whitewater, the alleged diversion of Madison money into a Clinton campaign account; questionable loans to other state political figures; and the thrill's possible lenient treatment by Arkansas regulators during Mr. Clinton's tenure as governor.

The initial assumption of Justice Department officials was that the new special counsel would investigate all these matters, which are now being handled by three career prosecutors in Little Rock, Arkansas. But some former independent counsel warned that such a broad charter would essentially open a Pandora's box. "You've got an investigation that is starting on an island, this is Whitewater, that is going to find a way to a continent known as Arkansas politics," said Jacob Stein, who served as an independent counsel during the 1980s investigating Attorney General Edwin Meese 3d.

Sources said that a number of possible candidates for special counsel had been contacted and that an announcement could come in the next few days. (NYT)

### Clinton Lets 'Nightline' Know Who's Boss

NEW YORK — The special access that Mr. Clinton has granted to the ABC News program "Nightline" during his trip to Europe was temporarily interrupted when the president refused to give an interview to the program's anchor, Ted Koppel.

Mr. Clinton had agreed to give "Nightline" an interview on each of five consecutive nights this week, an arrangement that has had the networks grumbling. But the president refused to answer questions Wednesday about the decision to seek a special prosecutor in the Whitewater investigation, so no interview was conducted.

Mr. Clinton went back on the program Thursday, and no questions directly dealing with Whitewater were asked. (NYT)

### Reagan Gives Up Fight on Iran-Contra Report

WASHINGTON — Former President Reagan is giving up a court battle to suppress parts of a report by Iran-contra prosecutors that is highly critical of his role in the scandal. Mr. Reagan's lawyers said. Objections by Mr. Reagan, Mr. Meese, and Oliver L. North, a former White House aide, have delayed the release of the report for the past month.

On Jan. 7, a special panel of three federal appellate judges denied their requests for withholding the report from the public. "President Reagan will not seek Supreme Court review," said a lawyer for Mr. Reagan, Theodore Olson. The appellate judges have said they will release the report next week unless those who have sought to suppress it appeal to the Supreme Court. (AP)

### Quote/Unquote

Eric Sussman, executive producer of "CBS Evening News," on the Whitewater real estate affair: "It's one of the most difficult stories to explain that I've ever explained." (NYT)

## 2 Testify On Being Irradiated As Pupils

New York Times Service

WALTHAM, Massachusetts — Two former pupils have returned to the Fernald School for retarded children here and testified to a U.S. Senate committee about radiation experiments performed on them in the 1940s and 1950s by researchers who told them that they were joining a science club.

The hearing was the first of the Senate Committee on Labor and Human Resources in its investigation of human radiation experiments conducted after World War II. The chairman, Senator Edward M. Kennedy, Democrat of Massachusetts, said he planned to introduce legislation "for the protection of human subjects."

Officials from the Department of Energy, the Department of Defense, the National Institutes of Health and the Veterans Administration told the committee Thursday that to the best of their knowledge there are no experiments now being done at their agencies that do not meet federal guidelines for the protection of human subjects.

But a doctor who helped write the current guidelines said it would be difficult to know what experiments are being conducted without a national board to set guidelines are met.

Guidelines that have been adopted over the last three decades require scientists to seek the informed consent of their subjects and to tell them about the possible risks involved.

Charles L. Dyer, one of the former pupils at Fernald, a state school, said that he was never told that radiation was involved. "They said it would benefit us by taking vitamins and stuff, I remember that," said Mr. Dyer, now 53. "It was a chance for us to get off the grounds. They took us places, here and there, and they said they were going to have a Christmas party for us. We were young kids, and they took advantage of us."

Mr. Dyer and the other former Fernald pupil who testified, Austin LaRocque, were part of a group of boys at the school who were fed minute doses of radioactive minerals by scientists from Harvard University and the Massachusetts Institute of Technology.

The experiments were designed to see if chemicals used in breakfast cereal prevented the body from absorbing iron and calcium. They were sponsored by the Quaker Oats Co., the National Institutes of Health, and the Atomic Energy Commission, according to J. David Litster, MIT dean for research.

A consent form that the Fernald School sent to parents in 1949 made no mention of radiation.

Mr. Litster and Dr. A. Berturan Smith, the research director and professor of nuclear medicine at the University of Massachusetts Medical Center, both told the hearing that the amount of radiation used was very small.

Senator Kennedy asked Dr. Smith: "Why don't they test it on MIT students?"

Dr. Smith said the children at Fernald were chosen because they were at a residential school where their intake could be closely monitored. He said the tests should not have been conducted at Fernald because the subjects were "captive."

Dr. Kenneth Ryan, a professor at the Harvard Medical School who was the chairman of a national commission for the protection of human subjects, the government panel active in the 1970s, said greater government oversight was necessary to monitor experiments conducted by federal agencies.

Representative Edward J. Markey, Democrat of Massachusetts, who made public a report in 1986 called "American Nuclear Guinea Pig: Three Decades of Radiation Experiments on U.S. Citizens," said he had been surprised to learn only last month about the experiments held at the Fernald School. The school is in his district.

"One question I have here today," he said, "is whether the experiments described in the 1986 report constitute the iceberg, and the more recent Fernald revelations are just the tip, or whether the report is the tip and we have yet to find the iceberg."

## Moynihan Not Sparing the Rod on White House

By Richard L. Berke

New York Times Service

WASHINGTON — When President Bill Clinton stepped up to the lectern at a fund-raising reception for Senator Patrick Moynihan at the Waldorf-Astoria Hotel in New York last month, he joked: "Before I met Pat Moynihan, I actually thought I knew something about government. Now I just feel like I'm getting a grade every time I talk in front of him."

Unfortunately for Mr. Clinton, his latest grades from the professor-turned-senator have been well below average — so lackluster that the New York Democrat has made a public example of his student several times in recent days.

In the senator's latest critique, one that the president heard half a world away in Brussels this week, Mr. Moynihan called for an independent counsel to investigate the Clintons' role in a failed Arkansas real estate venture.

That remark, on a national television news program Sunday, is only the latest. The same day, Mr. Moynihan did nothing for the Clinton health-care package by declaring that "we don't have a health-care crisis in America."

And on welfare, Mr. Clinton's other major domestic initiative, Mr. Moynihan told The New York Post last week that the president was not serious about reform and was using the issue as "hoob bait for the Bubbas."

Relishing his new role as a legislative gatekeeper, he also threatened that if the White House did not make good on its promises on welfare, "I just might hold health care hostage."

Although Mr. Moynihan has never shied away from speaking his often unpredictable mind, his seemingly off-hand utterances have taken on a new weight in the Clinton era.

The president picked Lloyd Bentsen of Texas to be his Treasury secretary, making way for Mr. Moynihan to ascend to the chairmanship of the Senate Finance Committee. And in that post, Moynihan, always one of the giant intellects in Capitol Hill, is now one of the giant powers there.

Mr. Moynihan, who said he was motivated only by his pursuit of sound policy and a desire to look after constituents, said it was in his nature to give straight answers.

Recalling the circumstances Sunday when he was asked on television whether

he would support an independent counsel on the Whitewater matter, he said:

"I'm sitting on 'Meet the Press.' Lisa Myers turns to you. You don't humble and say, 'I haven't thought about that.'"

Scorning at the notion that there was tension with the White House, Mr. Moynihan said that he "couldn't ask for a warmer relationship" with Mr. Clinton.

"There's an advice and consent sort of relationship," he said. "I'm surprised they are as attentive as they are."

As Mr. Clinton is learning, even the most casual remarks — the kind that could be dismissed before the senator assumed such influence — can threaten to steer the president's proposals off course.

Yet White House officials find they can do little but simmer in private, fearing that if they strike, Mr. Moynihan will only retaliate.

"There's not much you can do about it," said one of several senior White House officials who complained in private but refused to attach their names to anything remotely critical of the senator. "He's in charge of a lot of things we hope to accomplish."

Maybe that is why George Stephanopoulos, a senior adviser to the president

insisted that there were no hard feelings between Mr. Clinton and the senator. "I don't think that in any of these cases the senator intended to do the president any harm," he said. "As far as some of the public comments, I think the senator's a brilliant man who is often misunderstood."

One reason White House officials are so sensitive is that the Clinton-Moynihan relationship got off to a sour start when an anonymous administration official told Time magazine a year ago, "We'll roll right over him if we have to."

The comment infuriated the senator — who had publicly complained that the president and his top aides had not sought his counsel in the early days of the administration — and left Mr. Clinton rushing to mend fences.

They were at peace for much of the year, with the president crediting Mr. Moynihan for shepherding his budget plan through Congress. But some of his old quarrels have apparently resurfaced.

"I don't think the administration has shown the kind of deference they need to have," said Brian Lundie, a Democratic political strategist.

## How Haitian Is Getting By

Aristide, Hoping to Return, Has Access to \$30 Million

By John M. Goshk

Washington Post Service

WASHINGTON — After the Reverend Jean-Bertrand Aristide was ousted a president of Haiti in a September 1991 coup, Michael D. Barnes, a former Democratic House member from Washington's Maryland suburbs, offered to act as his legal adviser without charge.

"I thought my services would be needed for two or three weeks at the most," recalled Mr. Barnes, a former chairman of the House subcommittee on Western Hemisphere Affairs. "After all, President Bush and Secretary of State Baker were vowing that the action of the Haitian military would not be allowed to stand and that Aristide would be speedily returned to office."

Now, more than two years later, Mr. Barnes's status has evolved from unpaid adviser to de facto foreign minister for Mr. Aristide's government in exile. Mr. Aristide pays the high-powered law firm of Hogan & Hartson, where Mr. Barnes is a partner, a hefty fee of about \$55,000 a month.

The fees that go to Mr. Barnes and to Ira Kurzbart, a Miami lawyer who has been general counsel to Haiti since before Mr. Aristide was overthrown, and the most eye-catching part of the substantial sums that Mr. Aristide's government in exile has paid in hopes of restoring him to the presidency.

Mr. Aristide has not lacked for cash to pay for these services. While the Treasury Department froze Haitian funds on deposit in this country after the coup, Mr. Aristide has access to the money through his ambassador here, Jean Casimir.

Mr. Kurzbart estimated those funds total \$30 million and said Mr. Aristide's exiled government had been "drawing out from \$500,000 to \$1.1 million a month."

Mr. Kurzbart said only about 10 to 20 percent was spent on legal fees, while about 70 percent goes to operation of Mr. Aristide's government in exile, which includes maintaining representatives in major

European and Latin American capitals and such other influential countries as Canada and Japan.

Mr. Barnes said that although his fees might seem steep, they were actually a specially negotiated fee that was only half of what Hogan & Hartson charges its regular corporate clients for similar time and services. Mr. Barnes himself spends 50 to 60 hours a week advising and negotiating for Mr. Aristide, and he said that during most weeks he required the aid of 10 to a dozen of the firm's other lawyers.

Much of Mr. Barnes's time is spent in easing the tensions that frequently have troubled relations between Mr. Aristide and the administration. Last summer, he persuaded an initially reluctant Aristide to accept a U.S.-backed compromise agreement that was supposed to restore him to power. After the Haitian military reneged on the deal, Mr. Aristide balked at U.S. efforts to get him to accept further compromises, and Mr. Barnes spent the last month working overtime to prevent the resulting antagonisms from leading to a major rupture.

The explanations about how the money is spent has not stopped many American conservatives, who oppose President Bill Clinton's support of Mr. Aristide, from charging that the exiled president is squandering money for his own ends while people in his Caribbean homeland live in poverty aggravated by the painful economic sanctions imposed by the United Nations.

Mr. Aristide is not required to account in detail for what he spends, but Mr. Barnes and other supporters deny the implication that he is living in luxury while ordinary Haitians are prey to hunger and illness. The truth, they say, is that Mr. Aristide, an ordained but inactive Salesian priest, leads a life of almost monkish asceticism.

During most of his time here, he lived in a modest one-bedroom apartment in Georgetown. Recently, at the urging of the Secret Service who feared there was insufficient security at the Georgetown address, he moved to a similar one-bedroom apartment in downtown Washington. Beyond his day-to-day living expenses, his friends say, the only money he spends on himself is for travel related to his campaign to regain the presidency.

## Away From Politics



**CIRCUS DEATHS** — A train carrying Ringling Bros. circus performers and animals was derailed near Lakeland, Florida, killing an elephant trainer and a clown and injuring 14 people.

Sheikh Omar Abdel Rahman visited a New York hospital on Friday for an undisclosed ailment. The Muslim cleric, who is 55, blind and has diabetes, has been charged in connection with a terrorist plot that included the World Trade Center bombing Feb. 26.

A gunman opened fire aboard a New York subway car as it pulled into a Manhattan station during rush hour Thursday evening, wounding three passengers, including a woman whom the police described as the gunman's former girlfriend.

A woman was found bound, gagged and strangled in a park in Ontario, California. Authorities said the woman, Deborah Denise Brown, 33, of Los Angeles, might have been the victim of a serial killer believed to have strangled three other women. AP, NYT, WP

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BELGIUM	001-800-877-1111	IRELAND	001-800-1230-0000
BELIZE (HOTEL)	555	ISRAEL	001-800-1230-0000
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BOLIVIA	1-800-877-1111	JAMAICA	001-800-1230-0000
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# Satellite Exports: Battle Lines Drawn After U.S. Signal to China

By Michael Richardson

**SINGAPORE** — By easing a ban on export of communication satellites to China, the United States has signaled to Beijing that it wants to resolve a major point of contention in relations between the two countries, analysts said Friday.

American companies that manufacture the satellites and U.S. broadcasters that plan to use them to beam television programs to Asia, Australia and parts of the Middle East and Europe are lobbying for a complete end to the ban.

But critics said such a move would reward Chinese government and military agencies that were implicated by U.S. intelligence in the sale of sensitive missile technology to Pakistan last year and in earlier sales to the Middle East.

U.S. officials said that before the satellites were fully cleared for export, China will have to provide assurances that it will strictly adhere to the Missile Technology Control Regime. The regime is an international agreement to prevent the spread of ballistic missiles that can carry nuclear warheads and other weapons of mass destruction.

The U.S. undersecretary of state for international security affairs, Lynn Davis, will hold talks on the missile-proliferation issue in Washington beginning Jan. 26 with China's deputy foreign minister, Lio Huaquai.

In August, the United States banned high technology exports to China after concluding that the Chinese military had sold M-11 missile parts to Pakistan. Beijing denied making the sale.

Following an extensive interagency review, the Clinton administration announced on Jan. 6 that commercial satellites under the jurisdiction of the U.S. Commerce Department were not covered by the sanctions and that export licenses for them could be approved.

Satellite company executives said that three U.S.-made satellites were affected by the decision. Two are being built by Martin Marietta Astro Space and one by Hughes Space and Communications.

Of these satellites, the two most important for China and for satellite communications and television broadcasting in the Asia-Pacific region are AsiaSat 2 and APSTAR 2.

Winnie Pang, corporate affairs manager for Asia Satellite Telecommunications Co. of Hong Kong, which owns AsiaSat 2, said a license had been granted by the U.S. Commerce Department allowing the spacecraft to be exported to China for its scheduled launching early in 1995.

The company used China to launch the first privately owned pan-Asian communications satellite, AsiaSat 1, in 1990. AsiaSat 2 will provide television broadcasts with even more extensive coverage extending from Asia and the Middle East

into Europe, the former Soviet republics and Australia.

Asia Satellite is owned by Cable and Wireless PLC of Britain, Hutchison Whampoa Ltd. of Hong Kong, and China International Trust and Investment Corp., an overseas investment arm of the Chinese government.

However, some analysts said that APSTAR 2 — which would enable TV broadcasters to reach two-thirds of the world's population — may have difficulty getting final U.S. export approval because the company that ordered it from Hughes at a cost of about \$150 million is partly controlled by the Chinese military.

The company, APT Satellite Co. of Hong Kong, has seven listed shareholders. But Western officials said that APT Satellite was controlled by the three mainland majority shareholders: China Yuan Wang Group, an arm of the Chinese military's Commission of Science, Technology and Industry for National Defense; Ever-Victory System Co., an agency of the Ministry of Aerospace Industry; and China Telecommunications Broadcast Satellite Corp., which belongs to the Ministry of Posts and Telecommunications.

A public notice issued by the U.S. State Department when the missile proliferation sanctions were announced in August specifically implicated China's Ministry of Aerospace Industry, and said that

other Chinese military and aerospace agencies were also involved in proliferation activities.

Richard Dore, a spokesman for Hughes, said that although APSTAR 2 had been cleared for export by the U.S. Commerce Dept., the U.S.-made kickmotor rocket that is attached to the satellite was still covered by sanctions.

The kickmotor enables the satellite to reach its correct orbital position after being put into space. Mr. Dore said that unless the State Department lifted the ban, Hughes would have to try to get a kickmotor from a non-U.S. supplier to meet its contractual obligations to APT Satellite.

Such a move, however, might delay the launching of the APSTAR-2. The president of APT Satellite, He Kerang, said recently had been moved up to December because all channels on the company's first spacecraft, APSTAR 1, had been "sold out" well in advance of its scheduled launching in May.

Mr. Dore said that APSTAR 1, which is also being built by Hughes, was not affected by sanctions because an export license had been approved by the U.S. government before the penalties were put in place by Washington in August.

The fate of APSTAR 2 is a matter of intense commercial as well as diplomatic interest because the AsiaSat and APSTAR satellites are being used by rival international broadcasters.

Star TV, which was taken over in July by Rupert

Murdoch's News Corp., uses AsiaSat 1 for its pan-Asian TV service, News Corp. is expected to extend its broadcast range and provide back-up channels by using AsiaSat 2 as well.

About the time of News Corp.'s takeover of Star TV, five rival international broadcasters announced that they would lease nine channels on APSTAR 1.

The five were Turner Broadcasting System, of the United States, the parent of CNN television; ESPN sports television; Home Box Office Asia movies, a joint venture between Time Warner and Star TV; Discovery Communications educational TV, of the United States; and Television Broadcasts Ltd., of Hong Kong, the region's leading Chinese language TV broadcaster.

In December, those five and two other leading American multimedia companies said they had agreed to lease 16 channels on APSTAR 2.

Some American critics of China say the U.S. administration should block the export of all U.S.-made satellites to that country for strategic reasons.

"There is no civilian launch agency in China; there's only the military," said William C. Triplett, a former chief Republican counsel with the Senate Committee on Foreign Relations in Washington.

## Hosokawa Is Wary On Vote

He Won't Predict Reform Bill's Fate

Reuters

**TOKYO** — Prime Minister Morihiro Hosokawa, bracing for a make-or-break leadership test in parliament next week, sounded less confident Friday of winning approval of his plan to overhaul Japan's corrupt political system.

Members of his governing coalition hope to wind up debate on a package of political reform bills by scheduling a vote next week in the Reform Committee of the upper House of Councillors.

Committee approval would set the stage for a final vote in a House plenary session. Mr. Hosokawa, who has staked his political future on passage of the bills, would be forced to resign or call elections if he failed.

"I can't tell what will happen until the very end," Mr. Hosokawa said at a news briefing on his 56th birthday. "I don't think I'd be able to predict the outcome even five minutes before the vote."

He said his team would try to win over discontented lawmakers in the dominant Social Democratic Party and appeal to independents and members of opposition parties to support his reform plan.

The eight-group coalition occupies 131 of the 252 seats in the House of Councillors. But it could lose its five-seat majority if five Socialists keep their word and vote against the reforms. On the other hand, some of the 115 opposition legislators could be persuaded to back Mr. Hosokawa.

The prime minister is running out of time. The political reform bills, including an anti-corruption law and plans to revamp the discredited electoral system, will be unless they are approved by parliament by the end of the current session on Jan. 29.

The Socialists opposing the package say the new electoral system, which would be based on a combination of single-seat districts and proportional representation, would mean oblivion for their party at the next election.

But a coalition leader on Friday shrugged off the Socialist "disarray," saying the party was destined to break up regardless of political reconfiguration.

## China and U.S. Set Paris Talks On Key Issues

Reuters

**BEIJING** — China said Friday that Foreign Minister Qian Qichen would meet with Secretary of State Warren M. Christopher in Paris Jan. 24 for talks expected to center on trade and human-rights issues.

The official Xinhua press agency quoted a Foreign Ministry statement as saying the meeting was set "in accordance with an agreement reached between China and the U.S." but did not say what would be on the agenda.

A senior American official traveling with President Bill Clinton said in Moscow on Thursday that Mr. Christopher was likely to want China to improve its human rights record if it wanted to win renewal of its Most Favored Nation trade status.

Mr. Clinton must decide by June whether to renew China's trade status. He said last year that he would do so only if Beijing improved its human rights practices. If that status is removed, average duties on Chinese exports to the United States would rise to 40 percent from 8 percent.

The planned trip comes amid growing concern in Washington that China has made little, if any, progress on human rights in the last year. A Chinese Foreign Ministry spokesman on Thursday repeated Beijing's rejection of linkage between trade and human rights, saying China was opposed to discussing "anything irrelevant" when talking about trade.

## Bush, in China, Wins Trade Decision Praise

The Associated Press

**BEIJING** — Prime Minister Li Peng praised George Bush on Friday for "his correct decision to renew China's most-favored-nation trading status," which was one of the most controversial policies of his administration.

The former U.S. president is visiting China as a guest of the government, which is hoping Mr. Bush will pressure President Bill Clinton to renew China's favorable trading status. Mr. Clinton has balked at renewing the trade privileges because of human rights violations in China.

## 22 Killed in Algeria Crash

Reuters

**ALGIERS** — A total of 22 people were killed Friday in Algeria when a train smashed into a bus near the town of Moudzila, 30 kilometers (30 miles) southwest of Algiers, the news agency AP reported. The crash injured 39 people.

## Bhutto Is 'Pained' By Family Feud on Brother's Future

By Henry Kamm

New York Times Service

**ISLAMABAD, Pakistan** — Prime Minister Benazir Bhutto says she is "deeply pained" by the feud that has racked Pakistan's leading political family, but she rejects her mother's demand to be restored to the leadership of the governing party.

In a bitter response to a series of angry assertions from Nusrat Bhutto, her mother, the prime minister said: "I do feel she says it to damage me and pave the way for the son that she feels should be, in her own words, the heir."

Miss Bhutto accused the family matriarch, the widow of Zulfikar Ali Bhutto, who was prime minister and president, of acting out of ancestral maternal favoritism for a son over a daughter.

Recounting her own history of struggle, imprisonment and illness after the hanging of her father by General Muhammad Zia-ul-Haq, the military dictator who ousted him in 1977, Miss Bhutto said: "Through all this, I hoped the day would never come when I would have to battle male prejudice in my own family. It was a cruel stah in my heart when my mother declared that the male should inherit."

She added, "Since 1981, I ran the party, and I ran the struggle." Several times in an interview here she emphasized that she had been the sole member of the family who remained in Pakistan to have persecution and revive the Pakistan People's Party that her father founded.

In a sharp aside against Mir Murtaza Bhutto, the brother whose return to Pakistan in November after 16 years of political exile precipitated the feud, the prime minister said she had paid a price in persecution for the "armed struggle" movement that he founded. Mr. Bhutto has been in prison since his arrival, facing trial on sedition and terrorism charges filed by the Zia government and civilian successors.

The prime minister said her mother had been ousted from the party leadership because of her insistence that Mr. Bhutto, who was then still in Syria, run in more than 20 constituencies as an anti-organization candidate in the election campaign last October. Multiple and absentee candidacies are legal in Pakistan.

Miss Bhutto said she had feared that if her brother won many seats as a party insurgent, he might have reduced the number of members loyal to her, costing her the prime minister's post.

In the end, Mr. Bhutto won in only one race, for the provincial legislature of Sindh, the ancestral home of the Bhuttos, who are wealthy landowners. He is freed from prison whenever the assembly sits.

"God was kind to us," Miss Bhutto said of the victory that returned her to the prime minister's post, from which she had been removed in 1990. "The people of Pakistan stood by us."

"I begged my mother, members of the PPP begged my mother, because she really had us by our throats then," Miss Bhutto said. "We begged her, 'Don't do this. Don't do this. We can lose the elections. There will be no democracy and no hope of democracy.'"

The prime minister continued, mocking her mother's voice and accent: "And she said, 'Yes, if he wins, you don't win Sindh. And if you don't win Sindh, you don't win the country. So if you want to win, make my son the chief minister of Sindh.'"

"I will not succumb to emotional blackmail," Miss Bhutto said she had responded.

Miss Bhutto said fear of "male prejudice" had prompted her marriage. "Because once my father died," she said, "I knew the day would come when, like all feudal families, they'd lock up the daughter so that the son takes over."

In a traditional arranged marriage, she became the wife of Asif Ali Zardari in 1987. They have three children.



WORK AS USUAL — A municipal worker trimming grass as a South African soldier guarded a roadblocked entrance to Soweto.

## ANC Vows to Even 'Distorted' Wealth Picture

**JOHANNESBURG (AP)** — The African National Congress vowed Friday to redistribute 30 percent of farmland and consider nationalizing some industries to spread wealth more evenly.

"Our income distribution is racially distorted and ranks as one of the most unequal in the world — lavish wealth and abject poverty characterize our society," the ANC said in its Reconstruction and Development Program, which was released at a news conference.

The economic policy document, expected to be ratified by the ANC leadership this month, was drafted with the help of aid, labor and research groups and will play a major role in the campaign for the country's first multiracial election April 27.

## 6 Killed as Israeli-PLO Violence Flares

By David Hoffman

Washington Post Service

**JERUSALEM** — Five Palestinians and an Israeli were killed Friday in outbreaks of violence in the West Bank town of Hebron and near the checkpoint leading to the Gaza Strip.

The separate attacks marked the deadliest day of Israeli-Palestinian conflict since the signing of the peace accord four months ago.

In Hebron, the Israeli Army laid siege to an abandoned house near the Islamic College where it said four armed Palestinians were hiding. The army said three of the four were prison escapees belonging to the militant Islamic group Hamas.

After a soldier on patrol was shot in the leg late Thursday, the Palestinians and Israeli soldiers exchanged fire intermittently throughout the night as flares illuminated the sky.

Early Friday, the army opened fire on the structure with anti-tank weapons and soldiers threw explosives inside. Two Palestinians were killed, and two others apparently died from the explosions inside. Israeli radio said soldiers discovered grenades and a machine gun amid the rubble.

In the Gaza attack, a Palestinian armed with a knife went to the industrial area at the Erez checkpoint leading to the Gaza Strip.

Youssef Ahmed Islem, a 21-year-old from Gaza's Rimal quarter, stabbed an Israeli civilian and then stole his gun, according to the Israeli military. The civilian was hospitalized with moderate wounds.

Mr. Islem then fired on another Israeli, Gregory Fayzi, 37, a recent immigrant from the former Soviet Union who lived in Ashkelon. Mr. Fayzi was killed instantly.

Israelis from the military government emerged from a nearby office and opened fire on the Palestinian, killing him.

Palestinians said Hamas announced on the loudspeakers in Gaza mosques that the attacker was a member of Hamas who carried out the assault in revenge for Israeli killings of Palestinians.

Hamas also took responsibility in a leaflet for an ambush late Thursday near Hebron that wounded three Israeli soldiers in a jeep.

The attacks came as talks between Israel and the Palestine Liberation Organization have dragged on, four weeks beyond the planned Dec. 13 start of Israel's military pullout from the Gaza Strip and the West Bank town of Jericho.

Fifty-three Palestinians and 24 Israelis have died in violence since the peace accord was signed.

A poll of 1,622 Palestinians published this week showed that support for the agreement continues to ebb, although it has not collapsed altogether among Palestinians.

In September, a similar survey found 69 percent of those questioned supported the agreement, and 28 percent opposed it. Now, according to the survey by the Jerusalem Media and Communications Center, 45 percent support the accord and 40 percent oppose it.

The poll also showed a majority of Palestinians favor the demands for reform within the PLO, and a third of those questioned said they were worried that the PLO would "exercise authority in a bad way" when Palestinian self-rule begins.

Continued from Page 1

Agad "keeps the cards very close to his chest" and that although the meeting with Mr. Clinton was "an opportunity, it is not yet progress."

There are also questions about how fast Prime Minister Yitzhak Rabin wants to go. Months ago, he had asked for a delay with Syria so he could focus on the PLO. Given continuing headaches in the Pales-

tinian negotiations, he may feel he has more than enough on his plate.

Besides, opinion polls suggest that Israelis overwhelmingly oppose a full withdrawal from the Golan Heights. Many of them are convinced that the main reason for years of quiet along the Syrian border is that fact that their tanks command the plateau, 65 kilometers (40 miles) from Damascus.

But if the gangsters have gone bad at the box office, their women are still baffled.

Toei's current series "Gokudo no Tsumamichi," or "Wives of the Ultra-Bad," has been one of the few domestic movie concepts to score well in recent years. Long on melodrama and short on mayhem, the movies have hit it big with their tales of gang molls who must sit home alone worrying whether their men will return in one piece.

The former U.S. president is visiting China as a guest of the government, which is hoping Mr. Bush will pressure President Bill Clinton to renew China's favorable trading status. Mr. Clinton has balked at renewing the trade privileges because of human rights violations in China.

## RAID: Blow to North?

Continued from Page 1

particularly sensitive to North Korea's missile project since last May, when the North tested a new, medium-range missile capable of hitting Osaka and other parts of western Japan. In the test, the missile, believed to be a new model called the Rodong 1, landed in the Sea of Japan near the Noto Peninsula.

So far, the Japanese investigation appears focused on two companies: Anisat Corp., a mid-sized maker of communication equipment, and Yokohama Machinery Trading Company, a small company that appears to do a lot of business with Pyongyang.

At a news conference at their Tokyo headquarters, officials of Anisat acknowledged shipping some of the equipment, but said they had been led to believe it was headed to a company in China. The officials declined to identify the companies it dealt with, however, and were reluctant even to describe the capabilities of the equipment. At Yokohama Machinery, someone answering the phone hung up as soon as a reporter identified himself.

Though the Japanese press speculated that the equipment could have helped North Korea develop the ground-to-ground Rodong 1, officials said that they doubted it.

The equipment involved, the Foreign Ministry said in what appeared to be an effort to reduce anxiety, was better suited to refining the tracking systems of ground-to-air missiles. North Korea has those in huge supply; the U.S. Defense Intelligence Agency, in a report published in 1991, said that the North has deployed Soviet-supplied SA-2, SA-3 and SA-5 missiles.

The raids stirred memories of one of Japan's most embarrassing international incidents: the Toshiba scandal in 1987. Toshiba Machine Co. was convicted of selling machine tools to the former Soviet Union that enabled its navy to build quieter submarines and ships. Toshiba Corp., the parent, denied any involvement, but the United States imposed trade sanctions.

## MOVIES: Yakuza Is Cut

Continued from Page 1

crease public disgust with gangsters.

Under new authority in the 1992 law, the police have shut down many yakuza operations. The national police agency said the number of yakuza members had dropped from about 80,000 to about 50,000 since the law took effect. The local gang officers, with members who usually were Japan's top and passed out business cards proclaiming their affiliation, are folding or going into hiding.

The classic yakuza type — a tough-talking hood with a crew cut, lavish body tattoos and often one finger cut off — is still a menacing figure for the Japanese. But with the legal crackdown, the mobsters have been less visible in daily life.

And now they are due to disappear from the silver screen as well. Japan's two other major film studios, Toho and Shochiku, gave up gangland sagas years ago. Toei says the yakuza film to be released this June, "The Man Who Did in the Don," will be its last.

But if the gangsters have gone bad at the box office, their women are still baffled.

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## India Arrests Muslims In Train Bombings

BOMBAY

— Indian policemen arrested 12 Muslims on Friday, one of them a Bombay physician whom police described as their leader, on charges of carrying out a series of train bombings in the last year that killed more than 25 passengers.

Most recently, a series of bombings wrecked trans-India luxury trains, killing one person and wounding several on the first anniversary Dec. 6 of the destruction of the Ajaydya mosque by a Hindu mob.

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# CLINTON ON TOUR / THE WEAPONS

## Communist Elected Speaker of Russia's New Lower House

**New York Times Service**  
**MOSCOW** — As Boris N. Yeltsin gave President Bill Clinton general assurances that economic reform would proceed in Russia, the newly elected lower house of the parliament elected Friday an anti-reform Communist Party stalwart as its speaker.

The vote was another graphic reminder of the political realities facing President Yeltsin once Mr. Clinton goes home.

Mr. Yeltsin will provide the first real proof of his intentions when he announces a reshuffled government, perhaps as early as Monday, in which some economic reformers may be demoted and the much-criticized chairman of the central bank, Viktor S. Geraschenko, an open enemy of the reformers, is expected to keep his job.

The new lower house of parliament, or State Duma, had rejected pro-reform candidates for speaker in Thursday's first round, and chose Friday between a Communist, Ivan Rybkin, and an extreme nationalist, Yuri Vlasov, a famous weight lifter.

After Mr. Vlasov announced he would vote for Mr. Rybkin, in order "not to split the nationalist forces," the Duma elected Mr. Rybkin, a leader of the Communist faction in the old parliament.

Mr. Rybkin, an engineer and professional party bureaucrat from Volgograd who is a member of the Agrarian bloc, won 223 votes, the bare majority needed in the 444-member Duma, after the pro-gov-

ernment Russia's Choice faction, the largest, chose to abstain.

Some 111 voted against him, including members of the second-largest reform faction, headed by Grigori A. Yavlinsky.

Mr. Vlasov, who has published strong anti-Western and anti-Zionist views, as he describes them, in the now-banned ultranationalist newspaper Den, received 23 votes.

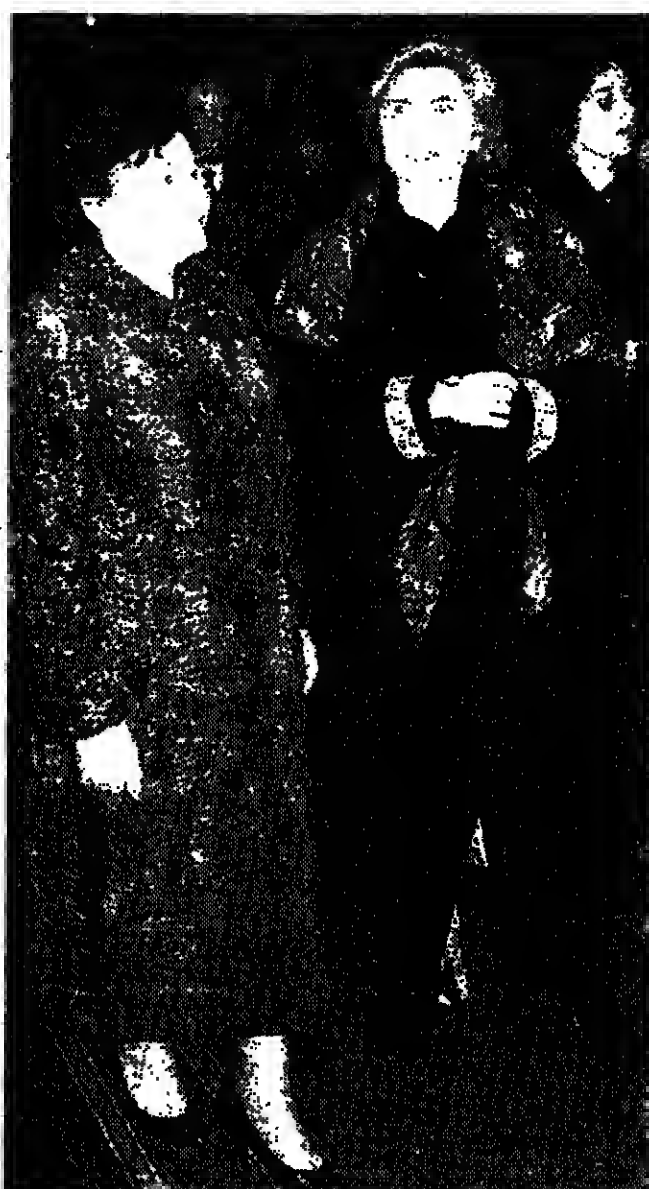
Mr. Rybkin was supported by the Communists, the Agrarians and the Liberal Democrats led by a combative nationalist, Vladimir V. Zhirinovskiy, who got into a fight in the parliamentary buffet Friday.

On Thursday, the upper house, or Federation Council, made up largely of local officials and bureaucrats, elected a Yeltsin ally and a first deputy prime minister, Vladimir F. Shumeiko, as its speaker.

As for Mr. Zhirinovskiy, who on Thursday angrily withdrew his candidacy as speaker, shouting that "every candidate for speaker must be sent to a psychiatric hospital," he was punched in the face in the Duma restaurant. A St. Petersburg deputy, Mark Goryachev, waiting in the buffet line, apparently resented Mr. Zhirinovskiy's loud demand for immediate service.

As waitresses rushed to Mr. Zhirinovskiy, Mr. Goryachev intervened, complaining that he and other deputies had been waiting for some time. Mr. Zhirinovskiy then rushed to Mr. Goryachev, telling him to "Shut up!" witnesses told. Interfax, Mr. Goryachev then apparently punched him.

—STEVEN ERLANGER



Naina Yeltsin welcoming Hillary Rodham Clinton to Moscow on Friday with a tour of the Cathedral of the Assumption.

## CLINTON: Meeting Crowned With Ukraine Agreement to Scrap Missiles

**Continued from Page 1**

mal agreement than a Ukrainian commitment to meet obligations in exchange for specific promises from the United States and Russia.

There was no certainty, however, that the Ukrainian parliament would be any less stubborn than in the past. Still, parliamentary elections are scheduled for March 27, and Mr. Kravchuk may have calculated that new deputies might be more amenable to approving the agreements, especially after so public an endorsement.

Another accord dealing with the leftover Cold War arsenal was a pledge from the American and Russian presidents that by May 30 none of their nuclear arms would be targeted at each other, or for that matter at any other country.

Officials agreed that the measure was more symbolic than practical. Since "it carried no" verification procedures, and since most missiles can be rapidly reprogrammed, Mr. Yeltsin has already declared that no Russian missiles are targeted at the United States.

A central political issue of the summit meeting came from the East European and Baltic

states clamoring to join NATO, a notion that riles Russia. Mr. Clinton's solution has been to invite all former East European and Soviet states to join the North Atlantic alliance in a vague Partnership for Peace.

Mr. Yeltsin heartily embraced the proposal.

As for the rest of the talks, the Russian leader acknowledged some differences, evidently on the question of Russian troop withdrawal from Estonia and Latvia, and on policy toward Bosnia.

But with Russia in political and economic turmoil, this was not the time for major foreign policy or disarmament initiatives. It was the time to show that America still stood firmly behind Mr. Yeltsin and reform, even if it was not leading out more funds.

"Throughout our discussions, I reaffirmed the strong support of the United States for Russia's commitment to democracy and transition to a market economy," Mr. Clinton said.

Later, at the "town meeting," he was asked whether he did not identify Russian reform too closely with the person of Mr. Yeltsin.

"Do I intend to work with President Yeltsin as long as he embodies Russian democracy and

as long as he is the choice of the majority of the people of Russia to be the president?" asked Mr. Clinton. "Of course."

Students sat transfixed as Mr. Clinton wandered among them, picking questions himself, bantering easily with them and introducing his wife, Hillary, who arrived in Moscow on Friday.

The format was a familiar one for Mr. Clinton, and one in which he clearly felt at ease, especially after a few questions in English.

What would he like historians to say of him? Would he play the saxophone? ("No, I played for President Yeltsin last night. I have a quota, one saxophone play per country.") Would he change places with President Yeltsin? ("No, I like the job I have.")

A 13-year-old boy, Alexander Fyodorov, reciting a picture of Mr. Clinton as a teenager shaking hands with the late President John F. Kennedy, asked how old Mr. Clinton was when he "got the idea to become the president of the United States."

Mr. Clinton called the boy to him: "Come up here. Come shake hands with me and maybe you'll be president of Russia someday."

## TRIP: The President Wobbled a Bit on a Diplomatic Tightrope in Moscow

**Continued from Page 1**

who was involved, that there was excellent chemistry between the two.

Beyond that, the conference produced or expedited important achievements — an agreement not to aim missiles at one another, a three-way agreement under which President Leonid M. Kravchuk of Ukraine pledged to scrap his country's nuclear arsenal, in agreement to open the U.S. market to Russian uranium — even if it yielded no magic elixir for Russia's ills.

Yet it is the parliament, elected only a month ago, that most vividly reflects the grass-roots fury of this vast and turbulent nation, and in particular the mounting anti-Americanism.

However much they may privately admire American wealth and success, many Russians blame the United States for this country's loss of empire and superpower status, for the poverty and privation in which many workers find themselves and for the crudity of nascent capitalism here, with its sleazy products, crooked politicians, swindlers, racketeers and profiteers.

Mr. Yeltsin has the constitutional powers to sidestep the parliament, but it is still the legislature that can provide the safety valve for the steam of wounded pride, the legislature where new political coalitions will have to be built and consensus on grand strategy, if any, achieved, and the legislature that will serve as the forcing

ground for the young politicians who will have to provide the answer to the question, After Yeltsin, who is the answer?

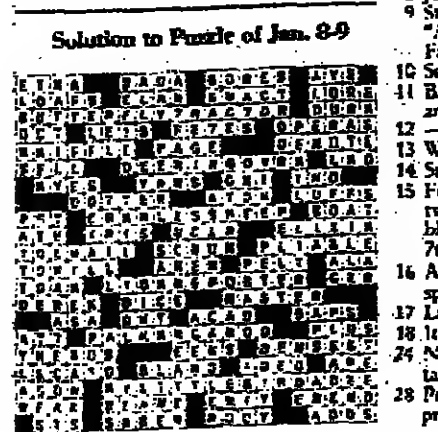
Mr. Clinton and his advisers believe passionately that a slower pace of reform, as advocated by Prime Minister Viktor S. Chernomyrdin, whose star is in the ascendancy here, will only delay the dawn of recovery and prolong the pain. Viewing him as the only viable counterforce to the gradualists, the Americans extracted from Mr. Yeltsin a pledge to press on with his radical reform program. They also warned as bluntly as good manners permitted that international aid would be forthcoming only if he did.

## ISN'T IT ROMANTIC? By Ernst Theimer

- ACROSS**
- 1 Urania, e.g.
  - 5 Drug
  - 9 Made a suburban flight
  - 14 "Red Ray" author
  - 19 — errand of mercy
  - 20 Closer
  - 21 Oil source
  - 22 En (invariant)
  - 23 504 marbles
  - 25 Bar staple
  - 26 Electrolytic particle
  - 27 Saint of Hollywood
  - 28 Illustrate
  - 29 "Best of" volume
  - 31 Wally intelligence
  - 32 Capital near the Mitrumbage River
  - 34 Whetstone
  - 35 D. for one
  - 36 Leeway
  - 38 Small punch
  - 40 Fugate
  - 41 Redundant
  - 44 L.A. Russia
  - 45 Angela Larabury role

- DOWN**
- 1 LEO poets
  - 2 Pioneering computer of 1951
  - 3 Doe of 30's
  - 4 Pottery surface
  - 5 Cautious
  - 6 Tabular pasta
  - 7 "Zap" "Don-Dah"
  - 8 Judge's matter
  - 9 Star of TV's "Addams Family"
  - 10 Squashed square
  - 11 Bancroft, Meza and 98 others
  - 12 Lilly & Co.
  - 13 Well behaved
  - 14 Survey
  - 15 Four and twenty blackbirds (and 76 more)
  - 16 Antelope with spiraling horns
  - 17 Lake catch
  - 18 Itchy, in a way
  - 19 Noted wine taster
  - 20 Persecuted priest

- New York Times Edited by Will Shortz**
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## The Politics of a Forest in Belarus

**By Steven Erlanger**  
*New York Times Service*  
**MINSK, Belarus** — President Bill Clinton's decision to lay a wreath in the Kuroptov Forest, just off the highway from the airport, as he arrives in Minsk has ignited a debate that tells much about Belarus's fragile sovereignty and Soviet-style politics.

The fuss threatens to overshadow Mr. Clinton's six-hour visit here Saturday. The stopover is meant to be a quick "thank you" to the former Soviet republic for agreeing to give up all 81 of its SS-25 nuclear missiles, an accord reached without any of the haggling needed to produce a similar pledge in Ukraine.

Kuroptov, an ice-covered forest clearing marked by a crude wooden cross embellished with a circle of barbed wire, is not one of the plentiful memorials in this blood-soaked country to the victims of National Socialist Germany. It is the site of a mass grave of those executed by Stalin's secret policemen from 1937 to 1941, and it is thought to contain as many as 200,000 corpses.

The current government looks at Kuroptov with extreme ambivalence.

When excavation at the site began in 1988, Kuroptov took on symbolic importance for nationalists in their efforts at independence. The archeologist who discovered it, Zyanon Paznyak, is also a leader of the political opposition and regards the current prime minister, Vyacheslav Kebich, as a traitor, accusing him

of "conducting a pro-imperial, pro-Russian policy."

Thus Mr. Paznyak is outraged by Mr. Kebich's latest proposal on the Clinton visit.

Mr. Kebich said in an interview that the president of Belarus's Supreme Soviet had decided to ask the White House to schedule Mr. Clinton's visit to Kuroptov last, so that he can first pay his respects at the official Soviet-built monument to the victims of Nazism in downtown Victory Square.

"The president thinks a visit to Victory Square first, in honor of all those who fought fascism, and then to Kuroptov would be accepted correctly by the people," Mr. Kebich said.

The wreath-laying is meant to highlight Mr. Clinton's support for faster political and economic change in this nation of 10.7 million, including early elections to a legislature that has been in place since 1990, before independence.

But for Mr. Paznyak, "the old Communist Party and Supreme Soviet are still in place in Belarus."

"Kuroptov is a crime committed by their predecessors," he said, "and they hate that Mr. Clinton will pay respects to this horrible place, this factory of death. It is a symbol of Stalin's genocide and the massacre of our nation."

A senior Western diplomat said it was unlikely that Mr. Clinton's schedule would change. "There are certain sensitivities surrounding Kuroptov," he said. "But Victory Square by itself is just a pabulum."

Like Ukraine, to the south, Belarus has seen centuries of bloodshed and has been chewed up by many larger neighbors. Some 1.3 million Belarusians died during the Nazi occupation in World War II, including virtually every Jew and half the population of Minsk.

As many as 2 million died here in Stalin's purges.

Belarus, like Ukraine, is trying to build an independent state, but on weaker foundations, with little left of ancient Belarusian culture. Except for the Nazi occupation and a few months of independence after the Russian Revolution, the area has been under the control of Russia since 1772 and was held by Poland and Lithuania before that.

So Kuroptov is also important in the search for symbols of Belarusian nationality. For instance, Minsk's east main street, once named for Lenin, is now named for Frantsisk Skaryna, born about 1490. He was Belarusian all right, but he is honored for having printed the first Bible in what was then Lithuania, and he spent most of his life in Krakow and Prague.

Stanislav Shushkevich, the embattled centrist democrat who is chairman of the Supreme Soviet, says Belarusians have learned humility from their history, which helps explain the paucity of reform and the willingness to know-how, if necessary, to Russia.

"We've been beaten so many times and put in such difficult situations, we always think of survival first," said Mr. Shushkevich, a nuclear physicist.

## BOOKS

### FROM THE ALLEGHIES TO THE HEBRIDES

**By Margaret Fay Shaw. 150 pages. £17.99. Canongate Press, Edinburgh.**

*From the lone shieling of the misty island, Mountains divide us, and the waste of seas, Yet still the blood is strong, the heart is Highland, And we in dreams behold the Hebrides.* —Canadian boating song, anon.

**Reviewed by Robert K. McCabe**

THIS is a romance to the Western Isles of Scotland that can stir the blood and spin the heart of even a Midwesterner as solid as the present reviewer, and the Hebrides attested Margaret Shaw like a bright silver herring when she was still in her youth.

Music-mesmerized since she taught herself at 6 to play the piano in the Alleghenies and later enchanted by the Gaelic poetry she discovered a few years later as a schoolgirl in Scotland, she found her true home in the Outer Hebrides in the luck of her youth and never looked back.

She was in her 20s when she landed on South Uist as she traveled the remote sharp edges of Scotland, and there she recorded the music and lyrics of the lovely Gaelic songs even then beginning to fade from common memory. Along with her ear for the lilt of Gaelic and a growing passion for the Scotland her ancestors had left generations ago, she brought an awkward old 10-pounder Graflex camera from which she coaxed a series of haunting photographic studies of the islands and their peoples in that time.

Listen to her: "Of all the islands I'd visited, there was something about Uist that just won me, it was like falling in love: it was the island I wanted to go back to." Then, thoughtfully: "Of course, I was not looking for islands. I was looking for a way to live my life."

And that was what she found in those lovely, wave-battered, barren chips of rock: a way of life that led to books and song collections from that rugged world, as well as those splendid photographs. "My first thought," she writes, "was to get the songs down and I

didn't look beyond that. But when I began looking over what I had, I saw that it was a tapestry, that their whole way of life was in the songs."

So Margaret Shaw, Scottish heritage quickening, began to make herself part of that tapestry. "An ember was dying," wrote a reviewer of her first book. "She blew on it and brought it to life." And with it new life for herself as well. In the mid-1930s, she met and married John Campbell, a young Scottish naturalist and writer, collector of Gaelic songs and an enthusiastic farmer. Three years later, they bought the tiny island of Canna, a scrap of rock in the sea a few miles south of the Isle of Skye. Over the decades that followed, they turned Canna's lands into a thriving farm with its own prize-winning herds of Highland cattle, sheep and pigs and dairy cows and their attendant cats and of course the cats on which the Scottish character is built.

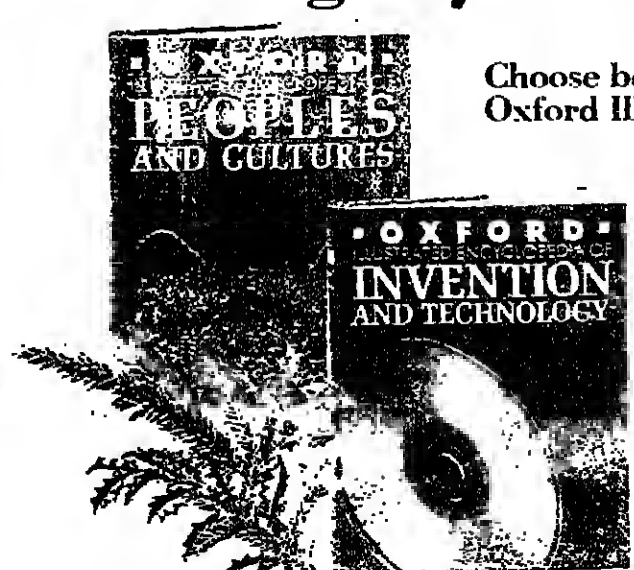
But where exactly is Canna? Perhaps because the book's publisher is Scottish, no need was felt to spend money to include a map of Scotland and its Western Isles and thus careful readers must turn off regularly to an atlas to seek out wee specks like Mingulay and St. Kilda

and South Uist. To carry on carp-ing: Other readers might wish for more details on what particular agriculture magic made Canna prosper, or about the seals and birds and other wild life of the islands. Are there no otters on Canna? And there is little comment at all on the inroads made by the caravan-loads of vacationers from the mainland.

But this book after all is an autobiography, not a history or a lament or a pamphlet on scientific farming, and as such its effect is to carry one far away from urban despond into the cold clear air of lovely Scotland, to stir again those dreams of the lovely far-off Hebrides. Margaret Shaw found exactly what she sought, a splendid way to live her life, and in her telling of it lets us all share that pleasure and that pride.

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**Herald Tribune**



# Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

## Clarify the Ukraine Accord

In the summit whirl, it was easy to overlook a few of the throwaway lines that American officials spoke about the breakthrough agreement on Ukraine's forsaking a nuclear arsenal. It is plain that President Leonid Kravchuk faces tremendous parliamentary resistance to the agreement. Nationalists cling to the hope of converting the missiles Ukraine inherited from the former Soviet Union into a Ukrainian-controlled nuclear force. Ukrainians across the political spectrum ask how else, if not by such a force, they can protect their security and independence against a nuclear-armed Russia that often shows disdain for Ukrainian statehood. Hence the American readiness to defer to President Kravchuk in the presentation of the new agreement.

But then we read that the Clinton administration will not reveal some key parts of the agreement, particularly the exact sequence of

how the warheads will be removed and how long the entire process will take. Nor will it say what U.S. incentives Ukraine has been promised beyond those made public. "It is our position that some elements of the agreement will remain confidential," a senior official said, adding that the agreement fixes no timetable to the confidential elements and that they "could never be publicly released."

What does this mean? Surely it cannot be that President Bill Clinton and his aides are intending to keep secret the text of the American-Ukrainian-Russian agreement. Nothing could more quickly compromise delivery on whatever undisclosed "incentives" — economic, political, military? — the American government has promised to Ukraine to help it accept and promote what are, for it, difficult terms. Clarification is badly needed.

— THE WASHINGTON POST

## Surrendering to Terrorism

When governments speak of "reasons of state," look for a squalid act that offends common decency. France will not explain why it brushed off a Swiss extradition request and released two Iranian wanted in Switzerland for the murder of an Iranian dissident. According to the right-of-center government of Prime Minister Edouard Balladur, the reasons are "linked to the national interest." When the Clinton administration protested this breach of anti-terrorism policy, the French interior minister, Charles Pasqua, refused to respond because "I am not an employee of President Clinton."

One has to sympathize with Mr. Pasqua, since the likely explanations for France's action are embarrassing. The possibilities are (1) that France has violated the European Charter on extradition to secure a market in Iran for its high-tech exports; (2) that it has yielded to Iranian threats of terrorism; and (3) that the Balladur government, with an ear to anti-immigrant sentiment, places less value on human life if the victim is a non-European, like

the Iranian dissident who was slain in Geneva. France's release of the suspects in their trial was expected to yield new clues about scores of murderous assassins in Germany, Greece, Austria, Turkey, Italy, Norway, Japan and six other countries. Fortunately, Mr. Pasqua and his prime minister do not speak for all of France. "Appearing to cave in to the threat of terrorism," Le Monde editorialized, "is certainly not the best way to fight it." The opposition Socialist Party has assailed the Balladur government's "deplorable inconsistency."

Yet the Socialists practiced the same appeasement in 1990, when President François Mitterrand pardoned an assassin who a decade earlier tried to murder former Iranian prime minister, Shahpur Bakhtiari. A year later Mr. Bakhtiari's throat was cut. Two Iranian suspects were arrested in Switzerland and extradited to France. A trial is supposed to take place this year — if Mr. Pasqua does not discover reasons to free those Iranians as well.

— THE NEW YORK TIMES

## One Investigation at a Time

An investigation of the Whitewater affair by a special counsel without ties to the Justice Department has now been authorized, but some who want answers in a faster and more public forum demand that a simultaneous investigation be undertaken by a select committee of Congress. We do not agree. The case involves complicated financial dealings among individuals who were not, at the time, federal officials. There is no conflict of authority here among the three branches of government. While Mr. Clinton's political opponents may want to see all the charges and countercharges hashed out on national television right now, there is no real need for legislative hearings at this point.

In fact, there is a strong argument that congressional hearings might be counterproductive. Legislators need only recall the history of the Iran-contra probe to see the pitfalls involved when a case is handled in two forums at the same time. Problems arise because Congress and prosecutors have different objectives and they often conflict. Committee hearings are designed to provide a public forum for the gathering of information, while prosecutors strive to accumulate admissible evidence leading to a conviction. All this, it should be remembered, remains unclear in the realm of the hypothetical because neither the president nor anyone else associated with the White House has been accused of any crime. But if a special investigation is to take place, it is prudent to let it play out its course without this particular conflict.

This investigation, it is also wise to remember, does not concern only the president but

involves many other people who could be affected by competing inquiries. The Fifth Amendment protects a witness from being compelled to testify against himself, but if Congress wants information badly enough, it can compel self-incriminating testimony by granting immunity, which forecloses the use of that testimony at trial. It was exactly such an agreement that led to the collapse of the case against Oliver North and the reversal of the conviction of his boss, John Poindexter.

In reviewing these cases, the U.S. Court of Appeals in Washington set a standard that will make it difficult to use congressional immunity and still preserve a prosecutor's case. The court ruled that all the witnesses who testify before a grand jury or at trial must be examined "line-by-line and item-by-item" to determine whether they used immunized testimony "to refresh their memories or otherwise focus their thoughts, organize their testimony or alter their prior or contemporaneous statements" before giving testimony in the criminal proceedings. People who watched congressional hearings on television would find it hard to swear they had no such impact.

The court has rightly made it difficult for Congress to circumvent the Fifth Amendment by compelling testimony through immunity. If it turns out that the Whitewater matter involves criminal conduct, prosecutions could be jeopardized by aggressive congressional probes who want the whole story notwithstanding the risk to the criminal proceedings. For now, the investigation should be left in the hands of the independent special counsel.

— THE WASHINGTON POST

## The Smell Around Rollins

Ed Rollins, the Republican political consultant, has some better days. Nevertheless, he said he was "relieved" when federal and state prosecutors in New Jersey called him a liar this week. One of them observed further that his "racist, insensitive remarks... poured acid" on bonds between white and black communities. And the Democratic state chairman added that, despite the apparent legality of what Mr. Rollins did, "the ethics of it stinks."

Mr. Rollins managed Christie Whitman's bid to be governor of New Jersey last fall, and then soiled her victory by gloating to reporters about dirty tricks to suppress the turnout for Governor Jim Florio. Mr. Rollins declared that the campaign had paid "street money" to dissuade black voters from giving serious thought to the election, he swore he made it all up. A U.S. attorney and two former state attorneys general have now concluded that he was right the second time, and that there was nothing but bragadocio in his original allegations. Several dozen FBI agents, a dozen state investigators and numerous prosecutors were unable to find a single illegal payment.

That does not end the stench of this affair. Mr. Rollins may have lied about what the

Whitman campaign did, but he had entertained such thoughts. And whether or not there was money for black churches, Mr. Rollins revealed an ugly attitude that black clergy can be bought.

His underlying proposition was that campaign strategists plot to stifle votes for the other candidate while building support for their own. Vote suppression was also evident in mind when the state legislature, controlled by Republicans, killed a proposed November referendum on sports betting. They figured gambling interests would drum up a huge urban vote, which would help Democrats.

Republican legislators also erred in concocting an antidote for "street money" abuses. Their post-Rollins legislation to curb such wrongdoing is so clumsily constructed that it will inhibit the altogether legal Election Day chores that both parties need to turn out their voters.

Mr. Rollins may be happy that he is only a liar, not a crook. Democratic victims of his campaign management and blacks victimized by his boasting are less satisfied. The prosecutors have swept a menacing cloud from Mrs. Whitman's inauguration next week, but not the lingering smell.

— THE NEW YORK TIMES

## Clinton's Europe Show: Not a Bad Start

By William Pfaff

PARIS — President Bill Clinton will return to Washington with his first European journey a success — barring an untoward event in Moscow this weekend. The trip will certainly have been a success in terms of the domestic television spectacular. The real and critical issues were dealt with in ways that satisfied the Washington press, if not the victims of Bosnian war and East European insecurities.

On NATO expansion and Bosnia, Mr. Clinton got what he came for. He got the Europeans to

*It was a useful week's work, dispelling doubts that he even had a policy on Europe.*

accept the so-called Partnership for Peace, by which NATO is made to seem to expand while not actually doing so. On Bosnia there was a collective statement by the allies which sounded resolute but was not. However, this was the best any of the Western governments seemed able to offer at this dreadful point in the war.

Mr. Clinton gave U.S. support to whatever survives of the Owen-Stoltenberg plan, offering further ethnic partition of Bosnia in exchange for peace, an offer most unlikely to be accepted by any of the parties to the war.

He pleased the West Europeans by abandoning the ancient but sterile American policy of opposing independent West European defensive measures. The Bush administration and its predecessors ferociously resisted an enlarged security role for the Western European Union,

the purely European alliance that predates NATO, and development of the French-German Eurocorps of merged military units.

They believed that the European initiatives could weaken NATO and diminish America's leadership role. As the Clinton administration has said that it wants to back off from the costs of leadership, Mr. Clinton and his people, against Washington establishment resistance, have told the Europeans that the Eurocorps (now incorporating Belgian and Spanish units as well as the Germans and French) is welcome, and that if EUU can take over bigger responsibilities for Europe's defense, that is fine.

Mr. Clinton promised to keep 100,000 troops on this side of the Atlantic, which was also considered very good news in Europe, made anxious by Yugoslavia and the new chill in the wind from Moscow. It is also sound policy because it maintains a solid U.S. strategic position in a crucial place.

The agreement with Ukraine on nuclear warheads will be another success for Mr. Clinton, if it is actually signed and carried out. It is a success for Russia too, of course, which will be left as the only nuclear power among the former Soviet states. The trip had the usual gargantuan accompaniment of television and pressmen, which of course is what it really was about. Every presidential word or gesture or humor was recorded as if it actually mattered, and every staged presidential performance, on or off the microphone, was transmitted to the folks at home.

Nonetheless, it was a useful week's work by

Mr. Clinton. It dispelled some of the European doubt expressed to me at the start of the week by a Paris political scientist, otherwise disposed to sympathy toward Mr. Clinton, who asked, "Why is it that only Republican administrations have foreign policies?" I reminded him that Democrats were responsible for the Truman Plan and the Marshall Plan, as well as for the Bay of Pigs, Vietnam and Cambodia. They had more foreign policy than turned out to be good for them.

It is true that since Vietnam the Democrats have seemed traumatized by problems connected to the use of force, but in this they have been faithful to the public's own ambivalence. The Reagan administration left Lebanon like a shot when the American marines there were bombed, and Mr. Reagan and Mr. Bush later confined themselves to intervening only in very small and unwieldy countries, until the Gulf War.

The Democrats' problem with violence is the product of a national trauma not yet resolved. Mr. Clinton, in Brussels, seemed more resolute on Bosnia than any of his NATO counterparts, but it is not the United States that has troops on the ground in Bosnia. He could afford to be resolute.

The Clinton administration has given itself a European policy where, before, one really did not exist. The policy is composed in part of common sense judgments on allied relations, and a recognition of the American national interest in solid security and economic relations with Europe. But it includes much ambiguity and evasion on the hard questions, and makes a huge gamble of confidence in Boris Yeltsin. It is only a start. But it is not a bad start.

International Herald Tribune  
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## If NATO Can't Stop a Milosevic, How About a Zhirinovsky?

By Stephen W. Walker

WASHINGTON — Bosnia got plenty of attention at the NATO summit in Brussels this week, but the main effect has been to point up the sad inability of the Atlantic alliance to deal with post-Cold War threats — immediate ones and those that loom over the horizon.

The United States and its allies continue to make clear that they have no response to Serbia's strongman, Slobodan Milosevic, or to his attempts to carve a Greater Serbia out of Croatian and Bosnian territory, using genocide as his primary weapon.

This failure raises serious doubts as to the resolve and options that NATO would have in facing Russia's potential Milosevic, Vladimir Zhirinovsky. Western capitulation

in the Balkans emboldens Mr. Zhirinovsky and others like him.

The NATO allies have made the wrong choices in the former Yugoslavia by enforcing an unjust, lopsided arms embargo against the Bosnians that allowed the Serbs to commit genocide, and by supporting negotiations that encouraged aggression and "ethnic cleansing."

They also have failed to live up to their commitments — to enforce the no-flight zone against the Serbs, ensure delivery of humanitarian assistance, and use air strikes to stop the shelling of civilians.

It is time to ask what the United States and NATO could or would do differently to prevent or stop Mr.

Zhirinovskiy's attempts to restore the Soviet empire or "protect" Russian minorities in Ukraine and the Baltics. If a local Balkan thing can stand up to NATO and the world's last superpower, what might a Russian fascist with a nuclear arsenal feel confident enough to try?

President Bill Clinton can contain the hemorrhaging of U.S. and NATO credibility. He should recognize NATO's recent shortcomings and make clear that it must live up to prior commitments and confront present-day threats before it can think about expansion and future challenges. He must lead his NATO colleagues in taking concrete steps to right the wrongs of Bosnia.

The necessary steps are clear and have been part of U.S. policy at one time or another this year: lift the arms embargo against the Bosnian government, enforce the no-flight zone, use air strikes to silence Serbian artillery, and use "all necessary means" to ensure delivery of humanitarian aid.

The State Department has said that more than 4 million lives are at stake this winter in the former Yugoslavia. NATO can ease, if not stop, the suffering.

The writer resigned from the U.S. State Department over policy toward Bosnia. He is currently executive director of the American Committee to Save Bosnia. He contributed this comment to The Washington Post.

## The Uncertainty in China Leaves Japanese on Edge

By Clare Hollingworth

TOKYO — The defense of the Western Pacific, especially of Southeast Asia and Japan, grows ever more vital as the economic strength and potential of the region rise.

But the relaxed atmosphere here in Japan that followed the end of the Cold War has been replaced by anxiety and confused thinking on future defense policy. The main points of Japanese concern, which are generally shared by South Korea and the ASEAN powers (Thailand, Indonesia, Malaysia, Singapore, Brunei and the Philippines), are these:

• How far will China extend its military capability? In what direction?

• And how far will the United States reduce its military presence now that the Cold War is over?

The region now owes its stability largely to the U.S.-Japan security treaty signed shortly after World War II. The presence of the U.S. 7th Fleet as well as American ground forces in Japan and South Korea gives the area a sense of protection, as does the American nuclear umbrella.

But Japan considers the situation in East Asia to be as tense and insecure as it was during the Cold War, a senior Defense Agency official said. Not only is there concern about the North Korean nuclear issue, but China and some Southeast Asian countries are building their military capabilities,

and Russia retains sufficient force to launch a nuclear strike.

It will not be easy for Japan to formulate a new policy, however, until the succession to China's ailing leader, Deng Xiaoping, is firmly established. The Japanese generally believe that economic and political reforms will prevail in China, but they don't rule out the possibility that a hard-line Communist general might take power. Some Japanese businessmen fear that the prosperous southern provinces might break away from the heavy-handed Beijing government. There is also concern that after China regains sovereignty over Hong Kong in 1997, fewer "friendly" warships will visit the Western Pacific.

Japan is keen to enhance regional security, which is, after all, good for business. Tokyo does not support the talk of transforming the Association of Southeast Asian Nations into a military alliance, but it hopes to make bilateral defense agreements with members of the grouping. For now, however, the U.S.-Japan security treaty remains of utmost importance to Tokyo, and not just to the Hosokawa coalition government but to the Liberal Democratic Party, now in opposition for the first time since 1955, and to the powerful bureaucracy.

Tokyo's concerns on regional instability are several: There is worry



about North Korea's ability to deliver a nuclear strike as far as Japan. The feeling is that only with Chinese help can Pyongyang be persuaded not to produce nuclear weapons. That help has been lacking.

Japan is deeply worried about the future of the Spratly Islands, which are believed to be rich in oil and natural gas. China, Vietnam, Taiwan, the Philippines, Indonesia and Brunei claim some or all of the island chain.

The archipelago lies across the direct shipping line between Tokyo and

the Indian Ocean. Disturbances there could disrupt vital supplies of oil from the Gulf. Although Beijing claims sovereignty over all the islands, the various claimants have agreed to settle the dispute without resort to force. The Japanese would be particularly alarmed, however, were the United States to reduce the size of the 7th Fleet.

The Defense Agency in Tokyo became deeply alarmed not long ago when Beijing spoke openly of purchasing an aircraft carrier from Ukraine. But budgetary problems in China, and a shortage of skilled engineers and technicians proved a hindrance.

The Japanese news media have largely overlooked a report which Tetsuo Maeda, a leading military analyst, says is "shaking up to be a Clinton Doctrine for Asian security."

In a speech July 10 to the South Korean National Assembly, the president proposed a U.S.-led multilateral security system to replace bilateral security arrangements with America's allies. This could eventually, analysts claim, "supersede" the U.S.-Japan alliance. There is little enthusiasm now for the project. But perhaps someday, when it is known which way China is going, Japan will consider the Clinton Doctrine.

International Herald Tribune

## Correctness in Defense of Vengeance

By Charles Krauthammer

WASHINGTON — What if Oedipus went on trial in Los Angeles for murdering his father?

And what if Delilah were tried in Manassas, Virginia, for cutting off her lover's manhood? Well, now we know. Both would claim years of abuse (child, marital), invoke self-defense, and move to acquit. Welcome to American justice, '90s-style.

The Menendez brothers have been on trial in Los Angeles for five months for murdering their parents [a mistrial was declared Thursday in the trial of the younger brother, Erik], and Lorena Bobbitt in Manassas for sexually mutilating her husband. Two sensational trials, one primordial theme. The theme is revenge. But since the law does not recognize revenge as justification for murder and mutilation, revenge is now dressed up as self-defense.

The Menendez brothers, who after murdering their parents went on a spending spree that included Rolex watches and a \$700,000 Porsche, claim they killed out of fear for their lives. They had been sexually abused for many years and their parents were going to kill them.

Lorena Bobbitt similarly claims sexual and mental abuse. Although a jury acquitted her husband in a previous trial of marital rape on the night he was attacked, her lawyer insisted it was "his penis versus her life" (a stark summation of feminist victimization theory). The Bobbitt story becomes a tale of self-defense.

Now, self-defense is used to mean shooting someone who is about to shoot you, or some variation thereof. But John Wayne Bobbitt, the alleged aggressor, was asleep at the

time he was attacked. And the Menendez parents were in their TV room eating ice cream when the boys came in with shotguns and blew them away. It is an odd sort of self-defense where only the defender is armed. It is even odder when only the defender is awake.

But the claim of self-defense, however implausible, allows the introduction of the most lurid allegations of sexual abuse. These engender sympathy for the defendant and make the dead and the maimed look like monsters.

In fact, there are cases not of self-defense but of revenge. And not just any revenge. This is politically correct revenge. Wife and child abuse are the crimes of the day. Fighting them, avenging them, indeed just exposing them are deemed acts not just of courage but of high purpose, "empowering" the powerless.

Hence Vanity Fair runs a sultry photo spread of Lorena Bobbitt and declares her "a national folk heroine." Imagine that, say, some elderly man, having long been abused by his wife, grabs a knife and, Bobbitt-like, cuts off her breasts. Is it possible to imagine such a man becoming a national folk hero? Of course not. His crime would be seen not as an act of liberation, but as a mere abomination.

When Attorney General Janet Reno was confronted at the press conference following the Waco disaster with the consequences of the attack she had ordered on the Branch Davidians, what was her

first reaction? She said that she had received information about child abuse among the Davidians.

She subsequently backed off the claim. Yet her initial reaction was revealing. Faced with more than 85 dead, she invoked the crime of the day, the most politically and psychologically explosive charge she could level at David Koresh: child abuse. It may have been a slaughter, but think of what it was meant to stop.

This is essentially what the Menendez brothers and Mrs. Bobbitt are saying. These two trials, truly mythic in scope, get us down to very basic things. The defense in each would overturn perhaps the most fundamental principle of law: that the law does not sanction revenge. Indeed the very purpose of law is to put an end to revenge.

The point of a criminal trial is to take retribution out of the hands of the victim and of the relatives. The purpose of criminal law is to transcend personal revenge by meeting out justice in public forums, according to publicly agreed criteria, adjudicated publicly by disinterested parties.

The Menendez and the Bobbitt cases — assuming the tales of previous victimization are true — represent attempts to justify the most primitive revenge under the guise of self-defense. If they succeed we will have taken political correctness to its ultimate extreme, to the point where for those who claim political correctness, the laws no longer apply. Vengeance is the Lord's — and Lorena's.

Washington Post Writers Group

## In Any Case, Let Him Not Say Thanks

By A. M. Rosenthal

NEW YORK — On Sunday, the president of the United States will enter a conference room in Geneva and shake hands with Hafez Assad, president of Syria, one of the world's most experienced negotiators.

Mr. Assad is also one of the world's most experienced killers. Does that matter? Should it matter enough to Bill Clinton to shape what he says to Mr. Assad?

Judging by body count, Mr. Assad is probably the world's champion killer still in practice. Mostly he kills Syrians. Over a few particularly fruitful days in 1982 he killed about 20,000 of them in one city alone.

Such opportunities do not come along every day. But since he has been in total power for about 25 years, Mr. Assad has done away with many people who expressed dissatisfaction with his rule as suited his fancy. God knows how many. But no human estimate is possible.

Nor can anybody give the number of Syrians he has put to torture by his secret police. But the number who live under police control with no right to talk, write or assemble in freedom is easily estimated — 15 million, which is the population of Syria.

All this while, Mr. Assad has been able to extend his killing field outside Syria by housing, training and arming about a dozen terrorist groups from around the Middle East.

Mr. Clinton and the State Department believe that because of the honor of meeting with the president of the United States, the president of Syria will do kindly things toward making peace with Israel.

And certainly the Israeli government, having decided that for peace it must deal with Palestinians it once fought as killers of Israelis, has no objection to Mr. Clinton dealing with a man who mostly kills Syrians.

Some Americans obviously do not think Mr. Assad's record is a paramount matter. Richard Murphy, former U.S. ambassador to Syria, wrote an Op-Ed piece for The New York Times (Jan. 14) on the importance of dealing with Mr. Assad, without a solitary word about Mr. Assad's style of government, let alone his taste for killing and terrorism. He treated him as if he were prime minister of Denmark or some such place.

At a Washington seminar on the Clinton-Assad meeting, three former high U.S. diplomats speaking for an hour and a half never mentioned Mr. Assad's penchant for murder and torture. I guess it is a matter of taste and beliefs. Mine lead me to nausea when I see a U.S. president — Mr. Clinton or President Nixon, Carter or Bush before him — travel to honor and pump up a man who established Syria on the small, select U.S. list of terrorist nations.

It is difficult to see any other lasting result from the meeting than to demean the United States, Mr. Clinton and his political values and to bolster Mr. Assad's. If Mr. Assad has something new to say or offer, why else than for his own prestige, does he need the presence of the American president?

Secretaries of state have ears and mouths. Must U.S. presidents be propped before the Syrian dictator to satisfy his ego and his status in the Middle East?

People who understand Syria's president say that anything he does after the Clinton visit will be exactly what he would have done without it. Maybe Mr. Assad will get around to keeping his broken promise to let all Syrian Jews leave the country.

I hope President Clinton does not say thank you but says instead that it would have been better if Mr. Assad had allowed Jews and other Syrians to stay without fear in their own homeland.

Mr. Assad's concession might be to accept the idea of a phased Israeli withdrawal from the Golan Heights. In exchange he may graciously agree to discuss just what he means by peace with Israel — like embassies and trade, not just a piece of paper and occasional cool nods.

If Mr. Clinton has some time for a little reading before he sees Mr. Assad I suggest the report of Middle East Watch, a committee of Human Rights Watch. The subjects covered:

Human rights workers get long prison sentences. Thirty-year state of emergency. Prolonged detention without charges or trial. Prisoners off limits to scrutiny. Kurds and Palestinian minorities — discrimination and persecution. Torture and death in prison.

Put together, they would make an interesting agenda for Mr. Clinton to present, after wiping his hand.

The New York Times

## IN OUR PAGES: 100, 75 AND 50 YEARS AGO

### 1894: An Imperial Critic

BERLIN — The case of Professor von Sybel, who has just resigned his post as Chief of the State Archives, confirms the strained state of the relations between the Emperor and the ex-Chancellor [Prince Otto von Bismarck]. The refusal of the Emperor to give this celebrated historian the Verdun prize was prompted by a desire to administer a lesson to him on account of his work, "The Founding of the German Empire Under William the First." The title alone was sufficient to displease the young Emperor, who thought that it should have been by and not under William the First.

### 1919: China 'Saves Face'

PARIS — The decision taken at the meeting of the Supreme War Council to admit two Chinese delegates at the Peace Conference settles an issue which for weeks has been causing friction between the two great na-

tions of the Far East. China desired three delegates at the Peace Conference. Japan was opposed to any direct representation by the Chinese. By the decision which admits the Chinese the Government of China gets less than it hoped for, but it has won a diplomatic victory and "saved face" by having a direct voice at the peace table.

### 1944: A Silent Plane?

LONDON — [From our New York edition.] A lone enemy plane slipped through London's air-raid defenses last night [Jan. 14] and dropped a bomb on a crowded motion-picture theater in a suburban business area, killing seven persons and injuring thirty-one. No alert was sounded, and there was immediate speculation that the Nazis might have a new type of almost noiseless plane. It was the first time in several years that an enemy plane was known to have penetrated suburban London without arousing the elaborate coast defenses of the radio location system.

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# In Syria, a Trip Through Time

**PARIS** — There is an irresistible lure to the scrutiny of the very distant past and objects fingered by humans many thousands of years ago. They speak of ancient creeds and are, for some, covered with scripts long forgotten.

"Syria, Mémories et Civilisation," at the Institut du Monde Arabe

**SOUREN MELIKIAN**

until April 30, allows a dizzying trip through time. Syria is arguably the oldest civilization in the world, with a continuous linguistic development in the same area documented in writing from the middle of the third millennium B.C.

But art begins very much earlier, around 8000 B.C. It starts with the small figure of a woman holding up her breasts. It was hacked from a block of white stone by a craftsman from an unknown culture, groping for the shape with difficulty. The theme must have haunted the communities that lived in that part of the world. Three millennia or so later, small earthenware figures of women lifting their breasts, this time in seated posture, were being molded. The fumbling feel is gone. The sculpture is primitive but skillful in its own terms.

Artistic skill had undoubtedly arrived. In the Palmyra area, something like the first classical age of mankind dawned, if classical is defined by mastery of form, proportion and material. The tiny head of a kind of field rat carved out of marble is astounding for its subtly modulated planes and its suggested expression of fearful alertness. A mere 2.5 centimeters long (1.1 inches), the object — made to be hung, the back of the head is carved with a loop to it — ranks among the early world masterpieces of animal art.

Another piece requiring great skill was created by the same culture. The small stone bowl with low rounded walls would satisfy the most demanding collector of sophisticated porcelain from Song China. The admirable shape seems to herald some of the metal bowls of the early Islamic period. The gap in time is so

huge as to make the parallel appear to be pure coincidence.

The stone bowl raises, as do other works of art in the show, one of the most elusive yet compelling questions in the history of old cultures: To what degree is there not just a continuity through different phases, but a persistence of aesthetic perception? In the most distant periods, continuity is hard to verify because little survives. Looking at some small cylinder-seals carved around 3200 to 3100 B.C. in Northern Syria, one is struck by a kind of classical perfection. The sense of proportion, the subtle modeling are there in a tiny scale, as they were in the field-rat head 2,600 years earlier.

By the third millennium B.C. large-scale sculpture was well established. It drew on the models of Sumer, in what is now southern Iraq, for its iconography. But in its artistic feel it could look strikingly different. The wide-eyed alabaster figure of Ishup-Ilum, king of Mari, around 2500 B.C. is the closest that Syrian art came to that of Sumer. But the frozen unsmiling face belongs to another world.

Some 400 years later, the statue of a king called Ishup-Ilum was carved out of black basalt standing the same posture as Ishup-Mari. The eyebrows are raised as if in ghostly surprise. Bags under the eyes, deep furrows running from the nose to the lips drawn downward convey a mixture of weariness and anxiety. There is none of the serenely illuminated smiles of Sumerian art here.

About 300 years separate the royal statue from the seated dignitary found in a temple at Ebla. The eyes look wider than ever, the lips are pursed, the distraught stare is made more moving by an archaic rigidity. As time went by, there may have been a conscious return to the past to conjure up these images of inner anxiety. A monumental basalt figure of the ninth century B.C. was discovered in 1979 near the Turkish border.

The "King" of Guzana, as he calls himself in his language, Aramaic, or the "governor," as he says more modestly in the Akkadian



Statue of Ishup-Ilum.

version that could be read by his Assyrian overlords, stands with much the same expression, as Ishup-Ilum in the 22d century B.C. The stare, the furrows of anxiety, the lips bitterly drawn down can be recognized. The archaic stylization of the hairdo underlines the continuity of a much earlier past, probably deliberately so.

Alongside gloom, a sense of derision was another constant of Syrian art. It already appears in the royal palace erected at Ebla in the 25th century B.C. The marble inlays recovered by the archaeological

teams project a cartoonist's vision of subjects as grave as war — a soldier trampling upon the body of an enemy — or mythical beings loaded with a religious symbolism.

These characteristics of the Syrian vision persisted through the most sweeping stylistic changes. They survived even Alexander's conquest and the adoption of Hellenistic conventions. In the marble statue of a woman in drapes from Apamea, the sad expression, which drags down the extremities of her lips, echoes faint memories of past millennia.

The metamorphosis could also be quite radical. The oasis of Palmyra and its multiple schools of sculpture from the first century A.D. on bear witness to the vigor of the Syrian vision. A funerary bas-relief shows two brothers full front, with big eyes hypocritically staring and smiling faintly. With its stylized curly hair, one of the two could almost be an apostle in relief attached to some 12th-century silver reliquary from Medieval Europe.

Another bas-relief found in a pit under the temple of Bel probably dates from A.D. 25. Squat figures wear drapes stylized rhythmically as they were at Persopolis in the sixth century B.C. Their heads are surrounded by huge halos of radiant light later adopted by Christian Europe. The stares and the frozen smiles retain something of the distant second millennium B.C. They also herald Romanesque figures of 12th-century France, perhaps not by coincidence. The Crusaders spent more than 200 years in those areas, determined to impose their reading of a message that Jesus had preached in Aramaic, the language of all Semitic lands at that point.

The show barely skims the surface of Syrian art in the Byzantine period, to which its contribution, utterly different from that of Christianized Greece, has yet to be acknowledged. The Islamic period, equally important and original but barely studied as an independent art form, is dealt with in the same allusive mode. Some stories are just too complex to be told at one go.

# A Sorcerer's Couture Photo Op

## As Shows Start, Reaching the Media Is the Message

By Suzy Menkes  
International Herald Tribune

**PARIS** — The would-be king is surrounded by his entourage and a handful of respectful reporters. The blonde with the shy smile and stunning legs is mobbed by TV cameramen, photographers and reporters. That old Chuck and Di story? No, this is Karl Lagerfeld being upstaged by the supermodel Claudia Schiffer.

The press conference that Chanel gave Friday at a new underground fashion complex

**PARIS FASHION**

at the Louvre was supposed to raise the veil on the spring-summer couture shows that open Saturday. Instead it became a French farce as lenses focused on Schiffer and two supposed rivals and Lagerfeld parried in French, English and German questions like "Are you here to announce Claudia's retirement" or "Will Claudia be wearing short skirts this season?"

La Schiffer said that at 23 she was too young to bow out, and showed off her new outfit: chaste navy pants, a red tweed jacket and shapely bodice fastened with a zipper. A zipper? In haute couture? Oh, just for the show, explained a Chanel spokesman, to protect the ample bosoms in case they popped out. Dam, another missed photo opportunity.

The event seemed a microcosm of couture today, when reaching the media is the message. Chanel's stunt had originally been planned to counteract the publicity given to other houses that agreed to participate in the simultaneous transmission by satellite of couture shows to the United States. Jacques Mouchier, president of the Chambre Syndicale, announced Tuesday that the deal was off because Event Media, the American organization, had failed to come up with the first payment. A ringside seat at the runway was apparently a tough sell.

Screening the shows like a boxing match had been designed to defray costs in order to lure designers to the Louvre and its four purpose-built halls off a glossy shopping mall, with its inverted glass pyramid. But here, too, his controversy, Yves Saint Laurent, Christian Lacroix and Valentino rejected the Carrousel du Louvre as unsuited to the spirit of couture.

Meanwhile, Pierre Cardin, the most publicity-seeking of designers, shows Monday to 120 clients and only 10 hand-picked journalists, with all photographers banned. Cardin claims that he wants to take couture back to the privacy of 30 years ago and is determined to protect his 150,000-franc dresses from copyists. At the press conference, Lagerfeld responded by saying that was "like a woman with no lovers asking for the pill."

Midnight-minute Lagerfeld also said that he would do the costumes for a Francis Ford



Lagerfeld with Claudia Schiffer (left) and rival models at the Louvre.

Coppola film of "Pinochio"; that new young clients of couture were flooding in, and that he was not at all discomfited by the success of the supermodels.

"I'm the sorcerer's apprentice — nobody pushed those girls as much as I did, and I would like people to look at the clothes while I disappear into the shadows," he claimed.

Surprisingly, the client side of couture is on a roll. Giancarlo Giammetti of Valentino, based in Rome, says that orders were up 30 percent for the fall-winter season. Lacroix already has three major wedding-dress commissions to complete immediately after his show Sunday. Gianni Versace, showing Saturday, says that he has picked up Mexican clients. All the houses cite mega-rich Latin American clients (mostly from Mexico and Venezuela) plus the return of the Lebanese, as the catalysts for the sudden boost.

It is the paradox of couture that new young clients with half a million dollars to scatter like sequins do not secure the future of a

house. The only point of mounting a show-biz spectacular is for the worldwide coverage. In an attempt to reinforce its strong position in Asia (60 percent of sales) Guy Laroche has taken Michel Klein as its new designer.

Another newcomer this season is the 30-year-old Gerald Watelet, a Belgian couturier, who shows Wednesday.

Hubert de Givenchy, flush with the \$26 million sale of his furniture at Christie's in December, shows Tuesday — while the house's president, Richard Simonin, is considering how to handle Givenchy's retirement in 1995. Yves Saint Laurent has recovered from pneumonia and from his clash with France's champagne growers, whose injunction against the use of the name "Champanne" for fragrance proved a publicity coup.

According to financial sources in London, Investcorp is in discussion with Bernard Arnault to purchase Céline. A company spokesman said Friday that the story was a rumor, but there was no official denial.

# Helmut Newton, Ever Provocative

By David Galloway

**HAMBURG** — With a retrospective of more than 200 works that will be on tour in Europe throughout 1994, Helmut Newton has again confirmed his ability to provoke slanders of moral outrage.

Predictably, it is not his celebrity portraits or his quirky high-fashion scenarios that prompt the recoil, but his unabashed celebration of the female nude. Germany's feminist press has launched a frontal attack on Newton's flesh-mongering exploitation of women, often equipped with sadomasochistic accessories, and his voyeuristic "key-hole documentaries" of erotic experiment.

What such critics are wont to overlook is the power of Newton's subjects, who include the body builder Liss Lyon. Strong, self-assertive and poised, his life-sized "Big Nudes" may be the expression of male fantasy, but they are hardly its defenseless victims.

And if viewers are disconcerted by his fantasies, the photographer is unfazed. "It means I've managed to shake them out of their lethargy," he said.

Part of Newton's success as a fashion photographer is that he communicates the inherent eroticism that is a guiding principle of haute couture. The point is underscored by a pair of works from 1981 entitled, "They Come Dressed" and "They Come Nude," in which a quartet of models strike classically biased runway poses — first clothed, then unclothed, but still wearing the spike-heeled shoes that are an indispensable accessory in Newton's view of female sexuality.

"Brescia Dressed 11:00 A.M." and "Brescia Undressed 12:30 P.M." vary the motif with a single model descending a staircase. Here, however, the outdoor setting introduces a surrealist note through the abbreviated shadow cast by high-noon nudity.

Voyeurism is an aspect of his work that Newton readily grants, pointing to his admiration for the invasive achievements of the paparazzi, as well as to Brassai's noctur-



Newton photo (detail) of Yves Saint Laurent design.

nal studies of the seamy corners of Paris.

In his "Self-Portrait, Valentine Place," the trench-coated photographer literally becomes the observer of his straddle-legged model — a self-ironizing "dirty old man" motif that recurs in the "Study of Voyeurism" that Newton produced for Playboy magazine in 1989.

Here, as so often in his work, mirrors offer tantalizing glimpses of figures outside the camera's range. It is simultaneously a voyeuristic and a narcissistic device that Newton uses to great effect. "I think

women assume marvelous expressions when they look at themselves," he explains. "They lose themselves in their own image."

So, too, do many of Newton's male subjects. In 1987, in a kind of reprisal of Dorning Gray, Newton produced a portrait of the painter Botero, brush in hand and staring into a canvas-sized mirror propped on an easel. Because Botero is joined here by a protective companion, the image loses something of the terrifying intimation of mortality that is almost palpably present in Newton's study of the actor Helmut Berger, made in 1984. Berger stands, nude, before a mirrored fireplace, warmed by an artificial fire and looking over his shoulder to admire his own reflection.

Because he favors real settings, the erotic dimension of Newton's celebrity portraits can sometimes be unintentionally, even comically, diverted by the clutter of everyday life. Coxy domesticity undercuts the sexuality in Newton's view of Berger, where a prissy correct flower arrangement dominates the foreground.

Like Andy Warhol, whose seamy Polaroids amount to a genital "Who's Who," Newton has a talent for persuading his subjects to let it all hang out. "My role as a portrait photographer," he asserts, "is to seduce."

Newton first acquired such tricks of the trade in Berlin, where in 1936 he became an apprentice to Yva, one of Germany's foremost fashion and portrait photographers. As a Jew, he was soon forced to flee the Nazis, beginning an odyssey that took him from Germany to Australia, Paris, New York and Monte Carlo.

His work is both inconsistent and, at moments, curiously flat. In comparison to Robert Mapplethorpe, Newton's idea of an erotic binge seems more like a Girl Scout bake-off. His celebrity portraits are sometimes inspired, as in the view of Nastassia Kinski offering her breast to a Marlene Dietrich doll, but many seem curiously routine. And in Newton's study of Helmut Kohl, the German chancellor's resemblance to a beached whale is the stuff that gives parody a bad name. Neither humor nor humanitarian number among Newton's conspicuous attributes.

"Helmut Newton" is at Hamburg's Deichhallen through Jan. 23; the Josef Albert Museum in Bottrop, March 6-May 13; the Photography Museum in Winterthur, June 10-Aug. 21, and the Castello di Rivoli in Turin, October-December.

David Galloway is an art critic and free-lance writer based in Wuppertal, Germany.

# Modigliani in London

The Associated Press

**LONDON** — After a successful run in Venice, a cache of drawings by Amedeo Modigliani that were preserved by a doctor friend went on show Friday at the Royal Academy of Arts in London.

The late Dr. Paul Alexandre befriended Modigliani and other artists and gave them a house on Rue du Delta in Paris in which to live and work.

All 241 exhibited works, mostly in pencil and black wash, are of the

human figure and include portraits.

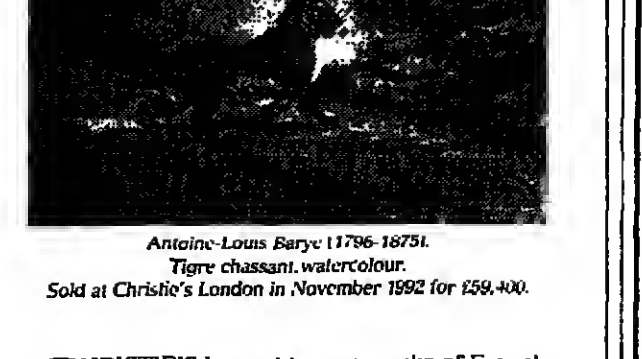
The exhibition is drawn from 450 drawings made in Paris between 1906 and 1914.

The academy has added one sculpture, of a woman's head from the Chester Dale collection in the National Gallery of Art in Washington, and flanked it with 10 sketches to show how Modigliani envisaged it before he began to carve the limestone.

The show runs through April 4, then continues on a tour around the world.



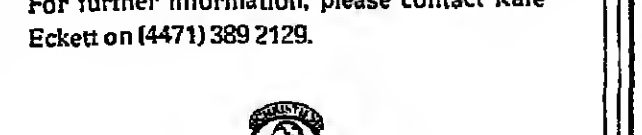
Antoine-Louis Barye (1796-1875).  
Tigre chassant, watercolour.  
Sold at Christie's London in November 1992 for £59,400.



CHRISTIE'S has sold great works of French Art in London since 1766. This year, we will be holding a week of sales devoted to French Art from 6-10 June 1994. It will bring together French pictures primarily of the 17th, 18th and early 19th Centuries as well as Old Master and 19th Century drawings, prints, fine French furniture, clocks, tapestries and wine.

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# auCTION sales

## IN FRANCE

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**Thursday, January 20, 1994**

Room 10 at 2 p.m. - 14th & 20th Cent. PAINTINGS, MILLON-ROBERT. 19 Rue de la Grange Batelière, 75009 Paris. Tel: (1) 48 00 59 44. Fax: (1) 48 00 98 98.

**Friday, January 21, 1994**

Room 6 at 2 p.m. - ARMAND TRAMPTSCH Collection and others - AUTOGRAPHS - BOOKS - PRINTS - PHOTOGRAPHIES (including SACHA GUTTRY) - 12000 documents from 12nd to 20th Century. Expert: M. A. NICOLAS. On view at the expert "Les Neuf Muses" - 41 quai des Grands Augustins - 75006 PARIS from 13 to 17 January (by appointment). Tel: (1) 43 26 38 71 - Fax: (1) 43 26 06 11. ADEP TAJAN, 12 rue Favart, 75002 PARIS. Tel: (1) 42 61 80 07 - Fax: (1) 42 61 39 57. In New York please contact Kerry Maisonrouge & Co. Inc. 16 East 65th Street, fifth floor, N.Y. 10021. Phone: (212) 757 35 97/757 38 13 - Fax: (212) 861 14 34.

**Monday, January 24, 1994**

Room 15 - at 2:15 p.m. FURNITURE & OBJETS D'ART including 18th/19th Italian Furniture, ADEP TAJAN, 12 rue Favart, 75002 PARIS. Tel: (1) 42 61 80 07 - Fax: (1) 42 61 39 57. In New York please contact Kerry Maisonrouge & Co. Inc. 16 East 65th Street, fifth floor, N.Y. 10021. Phone: (212) 757 35 97/757 38 13 - Fax: (212) 861 14 34.

**Wednesday, January 26, 1994**

Rooms 5 & 6 at 2:15 p.m. - 17th, 18th, 19th Cent. FURNITURE & OBJETS D'ART. Experts: M.M. O. Le Puel et R. de L'Espey. ADEP TAJAN, 12 rue Favart, 75002 PARIS. Tel: (1) 42 61 80 07 - Fax: (1) 42 61 39 57. In New York please contact Kerry Maisonrouge & Co. Inc. 16 East 65th Street, fifth floor, N.Y. 10021. Phone: (212) 757 35 97/757 38 13 - Fax: (212) 861 14 34.

**Thursday, January 27, 1994**

Room 10 at 2:15 p.m. - JEANNE & ROBERT-JEAN CHARLES ESTATE - FURNITURE & OBJETS D'ART - Watercolours, Paintings, Coins, ADEP TAJAN, 12 rue Favart, 75002 PARIS. Tel: (1) 42 61 80 07 - Fax: (1) 42 61 39 57. In New York please contact Kerry Maisonrouge & Co. Inc. 16 East 65th Street, fifth floor, N.Y. 10021. Phone: (212) 757 35 97/757 38 13 - Fax: (212) 861 14 34.

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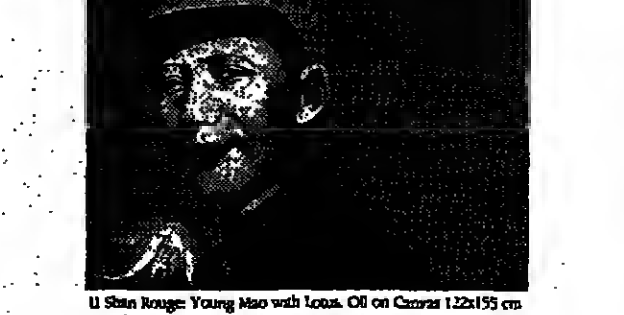
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## MARKET DIARY

## MARKETS: Asia Makes Gains

Continued from Page 1  
Thursday. But heavy falls in share values in South Korea and Taiwan underlined the volatile state of regional stock markets.

In Seoul, investors dumped shares across the board after the announcement of government measures aimed at cooling down

## N.Y. Stocks

the market. The composite index plunged 19.63 points, or 2.18 percent, to close at 979.03.

Stocks in Taiwan fell 1.8 percent. Brokers in Taipei said the panic that caused Thursday's 5.9 percent fall had subsided, but many believed the market was still in a downward consolidation after its recent bull run.

Stock markets in Australia and Thailand rose strongly while the Philippines and Indonesia had moderate gains.

Australia gained 28.9 points to close at 2,206.4.  
"We've had a couple of days where the market has been off, but there is still a lot of cheap stock around and there is money coming in from overseas," said David Baker, joint managing director at Baker Young Securities in Sydney.

The rebound in Asian markets caused little surprise on Wall Street, which had put up warning flags especially for their volatility not as signs of underlying trouble.

The Merrill Lynch advisory that helped trigger the correction was

quite explicit: "Hong Kong's market is beginning to display the random day-to-day volatility that suggests to us an intermediate state is forming after a 116 percent rise in 1993."

"Just remember, this wasn't a wipeout," said David Strongin, international research director for the Securities Industries Association. "Those who got in at the right time in Southeast Asia have done very well, and this still leaves a lot of them quite well off."

## Dow Posts a Gain

Stock prices rallied Friday on the New York Stock Exchange as evidence of rising economic growth and corporate profits outweighed a small rise in interest rates, Bloomberg reported from New York.

The Dow Jones industrial average was up 24.77 points, to 3,867.20. Early in the day, it had been up as much as 32 points.

A handful of technology companies led by Motorola reported unexpectedly strong earnings, sending semiconductor stocks higher. Motorola gained 1 to 99. Financial, auto, electrical equipment and chemical stocks also gained.

The market is "focusing on the strong economic numbers rather than the typical negative reaction in the bond market," where investors are wary of more inflation, said Philip Smyth, analyst at Birming Associates in Greenwich, Connecticut.

The 30-year Treasury issue tumbled 15/32 to 99 12/32, while its yield increased to 6.30 percent.

## DOLLAR: Slowed by Intervention

Continued from Page 9  
cign-exchange reserves it lost in last summer's currency crisis.

Even after setting back Friday, traders generally said the dollar was poised for further gains — although some questioned whether it was more a matter of the market weakening than of the dollar strengthening.

The mark has been weak against virtually all other major currencies on expectations that the Bundes-

move to raise short-term U.S. interest rates. If the Fed did act, he said, "the dollar would shoot up."

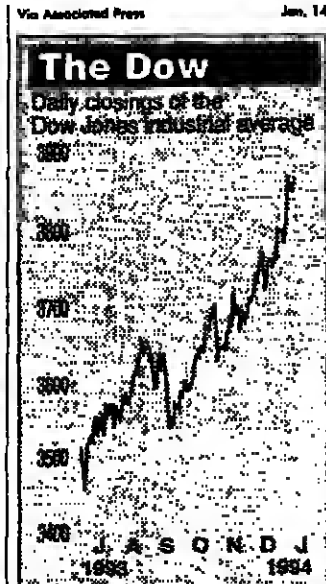
The dollar was fueled this week by a series of economic reports confirming that U.S. growth in the fourth quarter was stronger than many analysts had expected. Many estimates of gross domestic growth in the period are now between 5 percent and 7 percent at an annual rate, compared with previous expectations of about 3.5 percent.

"This is beginning to look like a typical U.S. recovery," Mr. Drobny said, with a burst of growth likely to be followed by a more moderate expansion.

Some analysts said a steep decline in the mark could cause the Bundesbank to slow its cuts in interest rates — and that could cause pain in the rest of Continental Europe, which needs lower rates to stimulate growth and stop the rise in its unemployment rates.

While Germany also needs lower interest rates for the same reasons, the Bundesbank does not want to lose the confidence of foreign investors, who hold some 1 trillion DM of German debt and who are needed to help continue financing Germany's budget deficit.

But Andreas Drobny at CS First Boston in London said he saw the dollar "grinding higher." He called a rise of 10 to 15 pfennigs — to a range of 1.85 DM to 1.90 DM — "definitely sustainable," even if the Federal Reserve Board does not



**NYSE Most Active**

Symbol	High	Low	Close	Chg.
IBM	108.00	107.00	107.00	-1.00
Microsoft	45.00	44.00	44.00	-1.00
Apple	35.00	34.00	34.00	-1.00
Oracle	25.00	24.00	24.00	-1.00
Novell	15.00	14.00	14.00	-1.00
Lotus	12.00	11.00	11.00	-1.00
Intuit	10.00	9.00	9.00	-1.00
Adobe	8.00	7.00	7.00	-1.00
Autodesk	7.00	6.00	6.00	-1.00
Parsons	6.00	5.00	5.00	-1.00

**AMEX Most Active**

Symbol	High	Low	Close	Chg.
Goldman Sachs	120.00	118.00	118.00	-2.00
JP Morgan Chase	80.00	78.00	78.00	-2.00
Bank of America	60.00	58.00	58.00	-2.00
Wells Fargo	40.00	38.00	38.00	-2.00
Citigroup	30.00	28.00	28.00	-2.00
First Union	20.00	18.00	18.00	-2.00
Bank One	15.00	14.00	14.00	-1.00
Capital One	10.00	9.00	9.00	-1.00
USAA	8.00	7.00	7.00	-1.00
MetLife	6.00	5.00	5.00	-1.00

**NYSE Diary**

Symbol	High	Low	Close	Chg.
IBM	108.00	107.00	107.00	-1.00
Microsoft	45.00	44.00	44.00	-1.00
Apple	35.00	34.00	34.00	-1.00
Oracle	25.00	24.00	24.00	-1.00
Novell	15.00	14.00	14.00	-1.00
Lotus	12.00	11.00	11.00	-1.00
Intuit	10.00	9.00	9.00	-1.00
Adobe	8.00	7.00	7.00	-1.00
Autodesk	7.00	6.00	6.00	-1.00
Parsons	6.00	5.00	5.00	-1.00

**AMEX Diary**

Symbol	High	Low	Close	Chg.
Goldman Sachs	120.00	118.00	118.00	-2.00
JP Morgan Chase	80.00	78.00	78.00	-2.00
Bank of America	60.00	58.00	58.00	-2.00
Wells Fargo	40.00	38.00	38.00	-2.00
Citigroup	30.00	28.00	28.00	-2.00
First Union	20.00	18.00	18.00	-2.00
Bank One	15.00	14.00	14.00	-1.00
Capital One	10.00	9.00	9.00	-1.00
USAA	8.00	7.00	7.00	-1.00
MetLife	6.00	5.00	5.00	-1.00

**NASDAQ Diary**

Symbol	High	Low	Close	Chg.
IBM	108.00	107.00	107.00	-1.00
Microsoft	45.00	44.00	44.00	-1.00
Apple	35.00	34.00	34.00	-1.00
Oracle	25.00	24.00	24.00	-1.00
Novell	15.00	14.00	14.00	-1.00
Lotus	12.00	11.00	11.00	-1.00
Intuit	10.00	9.00	9.00	-1.00
Adobe	8.00	7.00	7.00	-1.00
Autodesk	7.00	6.00	6.00	-1.00
Parsons	6.00	5.00	5.00	-1.00

**Dow Jones Averages**

Index	High	Low	Close	Chg.
Dow Jones Industrial	3867.20	3842.50	3867.20	+24.77
S&P 500	1079.03	1069.30	1079.03	+19.63
NASDAQ Composite	2714.40	2694.70	2714.40	+19.70
NYSE Composite	1407.20	1397.50	1407.20	+9.70

**Standard & Poor's Indexes**

Index	High	Low	Close	Chg.
Industrials	553.30	549.00	553.30	+4.30
Technology	448.90	444.60	448.90	+4.30
Healthcare	148.90	147.60	148.90	+1.30
Financials	148.90	147.60	148.90	+1.30
Consumer Goods	148.90	147.60	148.90	+1.30
Energy	148.90	147.60	148.90	+1.30
Telecom	148.90	147.60	148.90	+1.30
Real Estate	148.90	147.60	148.90	+1.30
Utilities	148.90	147.60	148.90	+1.30
Transportation	148.90	147.60	148.90	+1.30
Other	148.90	147.60	148.90	+1.30

**NYSE Indexes**

Index	High	Low	Close	Chg.
NYSE Composite	2714.40	2694.70	2714.40	+19.70
NYSE Industrials	553.30	549.00	553.30	+4.30
NYSE Technology	448.90	444.60	448.90	+4.30
NYSE Healthcare	148.90	147.60	148.90	+1.30
NYSE Financials	148.90	147.60	148.90	+1.30
NYSE Consumer Goods	148.90	147.60	148.90	+1.30
NYSE Energy	148.90	147.60	148.90	+1.30
NYSE Telecom	148.90	147.60	148.90	+1.30
NYSE Real Estate	148.90	147.60	148.90	+1.30
NYSE Utilities	148.90	147.60	148.90	+1.30
NYSE Transportation	148.90	147.60	148.90	+1.30
NYSE Other	148.90	147.60	148.90	+1.30

**NASDAQ Indexes**

Index	High	Low	Close	Chg.
NASDAQ Composite	2714.40	2694.70	2714.40	+19.70
NASDAQ Industrials	553.30	549.00	553.30	+4.30
NASDAQ Technology	448.90	444.60	448.90	+4.30
NASDAQ Healthcare	148.90	147.60	148.90	+1.30
NASDAQ Financials	148.90	147.60	148.90	+1.30
NASDAQ Consumer Goods	148.90	147.60	148.90	+1.30
NASDAQ Energy	148.90	147.60	148.90	+1.30
NASDAQ Telecom	148.90	147.60	148.90	+1.30
NASDAQ Real Estate	148.90	147.60	148.90	+1.30
NASDAQ Utilities	148.90	147.60	148.90	+1.30
NASDAQ Transportation	148.90	147.60	148.90	+1.30
NASDAQ Other	148.90	147.60	148.90	+1.30

**AMEX Stock Index**

Index	High	Low	Close	Chg.
AMEX Composite	1407.20	1397.50	1407.20	+9.70
AMEX Industrials	553.30	549.00	553.30	+4.30
AMEX Technology	448.90	444.60	448.90	+4.30
AMEX Healthcare	148.90	147.60	148.90	+1.30
AMEX Financials	148.90	147.60	148.90	+1.30
AMEX Consumer Goods	148.90	147.60	148.90	+1.30
AMEX Energy	148.90	147.60	148.90	+1.30
AMEX Telecom	148.90	147.60	148.90	+1.30
AMEX Real Estate	148.90	147.60	148.90	+1.30
AMEX Utilities	148.90	147.60	148.90	+1.30
AMEX Transportation	148.90	147.60	148.90	+1.30
AMEX Other	148.90	147.60	148.90	+1.30

**Dow Jones Bond Averages**

Bond	High	Low	Close	Chg.
10 Year	107.00	106.00	107.00	+1.00
20 Year	107.00	106.00	107.00	+1.00
30 Year	107.00	106.00	107.00	+1.00
1 Year	107.00	106.00	107.00	+1.00
6 Month	107.00	106.00	107.00	+1.00
3 Month	107.00	106.00	107.00	+1.00
1 Month	107.00	106.00	107.00	+1.00
Overnight	107.00	106.00	107.00	+1.00
Commercial Paper	107.00	106.00	107.00	+1.00
Money Market	107.00	106.00	107.00	+1.00
Repo	107.00	106.00	107.00	+1.00
Other	107.00	106.00	107.00	+1.00

**Market Sales**

Market	High	Low	Close	Chg.
NYSE	2714.40	2694.70	2714.40	+19.70
NASDAQ	2714.40	2694.70	2714.40	+19.70
AMEX	1407.20	1397.50	1407.20	+9.70
Other	1407.20	1397.50	1407.20	+9.70

**N.Y.S.E. Odd-Lot Trading**

Symbol	High	Low	Close	Chg.
IBM	108.00	107.00	107.00	-1.00
Microsoft	45.00	44.00	44.00	-1.00
Apple	35.00	34.00	34.00	-1.00
Oracle	25.00	24.00	24.00	-1.00
Novell	15.00	14.00	14.00	-1.00
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Adobe	8.00	7.00	7.00	-1.00
Autodesk	7.00	6.00	6.00	-1.00
Parsons	6.00	5.00	5.00	-1.00

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Intuit	10.00	9.00	9.00	-1.00
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Autodesk	7.00	6.00	6.00	-1.00
Parsons	6.00	5.00	5.00	-1.00
Other	6.00	5.00	5.00	-1.00

**Oracle Making Software For Electronic News**



## Bonn Offers Optimistic View Of '94 Economy

Compiled by Our Staff From Dispatches  
**BONN** — The German government expressed relative optimism on Friday about the country's economic prospects this year, forecasting real growth of 1 percent to 1.5 percent.

The Federation of German In-

### Thyssen Asks State to Pay For Layoffs

Compiled by Our Staff From Dispatches

**DUISBURG, Germany** — Thyssen Stahl AG said Friday that it would lay off 1,250 workers and ask the state government to cover the cost, a move that appears to clash with European Commission attempts to end government subsidies to steelmakers.

Thyssen Stahl, a unit of Thyssen AG, already intended to reduce its work force to 26,500 in the business year ending next Sept. 30, from 40,000 the previous year. The cuts announced Friday would be on top of that and would be the first in the form of layoffs, as opposed to attrition, early retirement or the like.

Thyssen said it would ask the government of North Rhine-Westphalia to cover social insurance payments for the layoffs because the company cannot afford them.

Thyssen said the decision was prompted by "catastrophic" sales and by the European Commission's approval Dec. 17 of a European steel restructuring plan. Although the Commission seeks to phase out subsidies, Thyssen said the plan favors subsidized producers to the detriment of private companies.

The latest job cuts will be concentrated in long products, such as bars and wire. Thyssen said losses in that division, as a proportion of revenue, were twice those in flat products such as sheet metal.

(Bloomberg, AFP, AP)

dustry had said Thursday that German real economic growth this year would be "1 percent at the most," adding that an economic upswing would come "very, very slowly."

The leading economic research institutes, especially DIW in Berlin, offer much more somber forecasts than the government.

Economics Minister Günter Rexrodt said he was looking for a rise in real gross domestic product in Western Germany this year of 0.5 percent to 1 percent.

But growth in former East Germany should be much higher, in the 6 percent to 8 percent area, the minister said, quoting figures in the government's annual economic report.

Mr. Rexrodt also said that inflation would slow to 3 percent for the year and that the number of jobless would rise by 400,000 to 450,000.

The positive report came as the Federation of German Banks cautioned that recovery had not yet arrived, saying that production trends and incoming orders were not at the right level to give the economy a quick boost.

Mr. Rexrodt acknowledged his forecasts were more optimistic than those of private observers and of the government's own Council of Economic Advisors. But he said they were the result of "serious work" and did not erode optimism.

Recovery will be more marked in 1995 and 1996, he added.

"It's a realistic forecast," he said. "The indicators show an improved international climate and recovery tendencies in part of the domestic economy." He also noted the "considerable drop" in German interest rates and moderate wage settlements will help growth.

Separately, Finance Minister Theo Waigel said the federal government's 1993 deficit totaled 66.9 billion Deutsche marks (\$38.4 billion). "In spite of considerably higher costs — about 3.5 billion DM — in the labor market, the expenditures will exceed the plan by only about 300 million DM," he said. He said tax revenue nearly reached the 356.1 billion DM that was expected.

(AFP, Knight-Ridder)

## Dutch Firm Buying U.S. Publisher VNU to Acquire Billboard and Hollywood Reporter

Compiled by Our Staff From Dispatches

**HAARLEM, Netherlands** — VNU BV said Friday it had agreed to buy BPI Communications Inc., the American company that publishes music and film magazines such as Billboard and Hollywood Reporter, from The New York Times Co. and BPI management for \$220 million.

Analysts said the acquisition would bring VNU, one of the Netherlands' largest publishing concerns, into the American magazine market and give it a base for further expansion. They also said BPI's electronic-database activities suited those of VNU, whose only previous American presence was its electronic publishing units.

VNU's activities in the United States include Disclosure, a financial database that holds information on 11,000 quoted companies. Analysts estimate U.S. revenue for all three VNU databases at \$160 million a year.

"Out of the acquisitions that I have seen at VNU in my time, this one is the most beautiful one," Henk Slotboom, head of research at Amsteld NV in Amsterdam, said. "It's a

very good fit in a new growth area." Mr. Slotboom has tracked VNU for almost 10 years and published a 72-page report on the company in November.

"It's a good acquisition," said Ton Gierman, an analyst with James Capel & Co. in Amsterdam. "They had been looking to expand in that area for a long time."

He said the U.S. market was "much less vulnerable than the U.K. and the rest of Europe."

BPI is profitable, has annual sales of about \$130 million and employs about 800 people, VNU said.

The New York Times, which is half-owner of the International Herald Tribune, acquired a 33 percent interest in BPI when it bought Affiliated Publications Inc., the owner of the Boston Globe newspaper, in September 1993.

BPI owns three databases that provide information on the film, media and advertising industries. They are the Billboard Information Network, Broadcast Data Systems and Entertainment News Wire.

Most of their information comes from the 19 specialist magazines published by BPI, of which the best-known are Billboard, a leader in the market for music magazines, and Hollywood Reporter, which covers the film industry. VNU said it would finance the purchase through a rights offering on the Amsterdam Stock Exchange in March. It said VNU holders would be allowed to buy one new share at a discount for every five shares owned.

(Bloomberg, AFP)

### Ringier-Gannett Venture Formed

Ringier AG of Switzerland said it had formed a 50-50 joint venture with Gannett Co. of the United States to expand both publishing companies' activities, primarily in Eastern Europe but also in Asia. AFP-Exel News reported from Zurich.

The companies said Ringier would manage the venture and Gannett would take a 50 percent stake in Ringier's Cash newspaper operations in Romania, Hungary, Poland and Bulgaria. Terms were not disclosed.

## For Winterthur, a Deal With Commerzbank?

Compiled by Our Staff From Dispatches

**ZURICH** — Winterthur Insurance Co. said Friday that it would announce a major expansion on Monday, and analysts said they believed the Swiss company would acquire a stake in a German insurer from Commerzbank AG.

In Frankfurt, Commerzbank said that it and its unit DBV Holding AG would hold a new conference Monday. Commerzbank said its chairman, Martin Kolbhaussen, would "report on the new direction and expansion of Commerzbank's financial services."

Commerzbank has been looking for a partner for DBV after talks with Zurich Insurance Co. broke down last year.

DBV, or Deutsche Beamten Versicherung, is a civil servants insurance company in which Commerzbank has a stake of 50 percent plus one share. The remainder is owned by DBV Beteiligung, a holding company, and the general public, in roughly equal stakes.

DBV took in insurance premiums of about 3.5 billion Deutsche marks (\$2 billion) in 1993.

(AFP, Knight-Ridder)

Winterthur's stock closed 14 francs higher on Friday, at 820 Swiss francs.

The consensus among Zurich analysts is that Winterthur has acquired or plans to acquire a stake in DBV. "This is quite possible and that's our latest information," an insurance analyst at Union Bank of Switzerland said.

Bank Vontobel's analyst, Viktor Damman, said Winterthur was particularly eager to expand its insurance operations in Germany.

"Winterthur has always tried to improve its market share in Germany but so far it has been unsuccessful," a trader at Bank Fictet said.

(AFP, Reuters)

### Kuwait May Open Up To Foreign Oil Firms

AFP-Exel News

**KUWAIT** — Kuwait may open up its oil industry to foreign companies, Oil Minister Ali Baghli said Friday.

Mr. Baghli said a commission had been set up to study the possibility of foreign participation in the oil sector, "particularly the allocation of prospecting concessions in border areas." Kuwait nationalized its oil industry in 1975.

### Very briefly:

• Forte PLC, the British hotel group, has joined with Quantum Fund, the investment vehicle of the financier George Soros, to seek control of the debt-ridden Ciga Hotels SPA, now controlled by the Aga Khan.

• CSA's new president said he had dismissed four vice presidents and said the Czech airline had secured an \$8.5 million government loan to make an airplane leasing payment due Saturday.

• Belgium said it had approved the sale of Société Nationale d'Investissement, including its 50 percent stake in Distrigaz SA/NV, to a consortium led by Ackermans & Van Haaren.

• Sabena Belgian World Airlines SA will continue to be majority-owned by the state, the government said after a review of its privatization policy.

• Iberia's vice chairman, Javier Saez, said the Spanish carrier would

### Investor's Europe

Frankfurt DAX	London FTSE 100 Index	Paris CAC 40
2400	3500	2400
2200	3300	2200
2000	3100	2000
1800	2900	1800
1600	2700	1600
1400	2500	1400
1200	2300	1200
1000	2100	1000
800	1900	800
600	1700	600
400	1500	400
200	1300	200
0	1100	0
1993	1993	1993
Exchange	Index	Friday Close
Amsterdam AEX	420.82	415.66
Brussels Stock Index	2,591.23	2,627.44
Frankfurt DAX	2,747.82	2,764.66
Frankfurt FAZ	817.86	834.58
Helsinki HEX	1,810.28	1,762.52
London Financial Times 30	2,812.30	2,577.60
London FTSE 100	3,406.60	3,380.00
Madrid General Index	334.03	330.61
Milan MIB	966.00	966.00
Paris CAC 40	2,862.25	2,862.19
Stockholm Aftersvearnden	1,751.65	1,711.75
Vienna Stock Index	495.41	495.80
Zurich SBS	1,031.73	1,021.55

Sources: Reuters, AFP

International Herald Tribune

## ORBITAL: Phone Race Heats Up

Continued from Page 9

says the initial outlay is important. "If the handset price is too high, not enough of a subscriber base will be attracted," said Mr. Hultkower, who has written two reports on the prospective satellite networks for the European Space Agency.

But Mr. Helman, who is a vice president of Mobile Communications Holdings Inc., Ellipso's parent, said it was "quite conceivable the governments could subsidize the phones in order to have universal service."

Eventually, users could rely on simple cordless phones if they are within 2 kilometers (1.2 miles) of a

ground station, Mr. Helman added.

The overall cost of the Ellipso system is projected at \$650 million to \$700 million, compared with \$3.45 billion for Motorola's Iridium network. Ellipso's chief competitor, Iridium, a partnership of Motorola with Lockheed Corp., Raytheon Co. and Sprint Corp., among others, is projecting a tariff of \$3 a minute of phone service plus a fee of \$75 to \$80 a month, based on two million users to break even.

Ellipso is aiming for a smaller subscriber base and calculates the network will break even with 650,000 users. The company says the service will cost 50 cents a minute plus a fee of \$50 a month.

## METALL: Investors Dump Stock

Continued from Page 9

Bank, which together with Daimler-Benz AG, Allianz AG and the government of Kuwait hold a 62 percent stake in Metallgesellschaft, take turns naming the chairman of the conglomerate's supervisory board. Ronald Schmitz, a Deutsche Bank corporate finance specialist who currently holds the position, has been widely criticized for having let Metallgesellschaft slide so far, so fast.

The metals conglomerate said last week that it faced potential losses of 3.3 billion DM (\$1.9 billion) for the financial year ended Sept. 30, much of it attributed to U.S. oil deals.

A restructuring plan is to be discussed Saturday by Metallgesellschaft's 120 creditors in Frankfurt, banking sources told AFP-Exel News that resistance from foreign creditors may push the talks into next week.

But while several French investors continued to waver Friday, other analysts and industry insiders said it was unlikely the rescue would fail.

"We expect the banks will come up with a deal and I don't think it will have much effect on the big bank shares," said Mr. Lockhart.

Peter Dupont, an analyst at UBS in London, agreed, saying the odds were in Metallgesellschaft's favor. "If you look at all the precedents for a company this size in Germany or elsewhere, at the end of the day they almost always manage to cobble something together," he said.

### U.S. Refiner Concerned

Castle Energy Corp., the U.S. oil refiner that is 40 percent owned by a Metallgesellschaft subsidiary, said it would experience "severe adverse ramifications" to its business if the German conglomerate failed to secure a rescue plan from its creditors, Knight-Ridder reported from New York.

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**Herald Tribune**

## AVIS D'APPEL D'OFFRES INTERNATIONALES INTERNATIONAL TENDER NOTICE

La République Fédérale Islamique des Comores a obtenu un crédit de la Banque Mondiale pour financer son Programme de Réformes Economiques.

Une partie de ce crédit (880 000 DTS) est utilisée pour effectuer le paiement d'un certain nombre d'importations notamment l'approvisionnement des pays en produits pétroliers.

La Société Comarienne des Hydrocarbures chargée de l'approvisionnement du pays en produits pétroliers, lance un appel d'offres international, pour la fourniture des produits pétroliers suivants:

MOGAS (93 Ron) 10 000 MT  
 GAS-OIL (50/50 ou 45/55) 13 000 MT  
 (Contenu Soufre min 1 %)  
 JET A1 (ATK) 8 000 MT

Livraison en mixte cargo par lots de 1500 à 2000 MT.  
 Prix en dollars US, CIF rendu invariablement aux ports de MORONI et de MUTSAMUDU sur la base d'une cotation moyenne du Platt's Oilgram Price Report en incluant et en ventilant les autres frais de chargement, de transport, d'inspection, d'assurance et les marges.

Première livraison: 1er avril 1994.  
 Les autres livraisons seront faites suivant calendrier arrêté par la Société Comarienne des Hydrocarbures au rythme d'une cargaison tous les 45 quarante cinq jours.

Paiement en dollars US par lettre de crédit irrévocable et confirmée. Financement Banque Mondiale.

Tout candidat intéressé par cet appel d'offre pourra, pour avoir les informations complémentaires nécessaires, acheter un jeu complet du Document présentant toutes les spécificités de ce marché, moyennant paiement d'un montant de 100 dollars US non remboursables.

Les Documents de l'Appel d'offres sont à retirer:  
 Société Comarienne des Hydrocarbures  
 B.P. 28 MORONI-COMORES  
 TEL: (269) 73-04-86/73-09-71 - FAX: (269) 73-18-83

Ambassade des Comores à Paris  
 20, rue Marceau, 75016 PARIS  
 Tel: (33) 40-67-90-54 - Fax: (33) 40-67-72-90

Consulat Général de la République Fédérale Islamique des Comores

IEDDAH-ARABIE SAOUDITE  
 Tel: (966-2) 693 09 03 - Fax: (966-2) 693 35 42  
 Le dépôt des candidatures est fixé au 5 février 1994, date limite à 11 H 00 GMT.

Le dépouillement aura lieu au Siège de la Société le 7 février 1994 à 16 H (heure locale: +3 GMT) en présence des soumissionnaires.

The Islamic Federal Republic of Comoros has obtained a credit from the World Bank to finance its economic reforms program. Part of this credit (880 000 DTS) will be used for the payment of certain imports notably petroleum products.

The Société Comarienne des Hydrocarbures, in charge of providing the country with petroleum products, invites international tenders for the supply of the following:

Mogas (93 Ron) 10 000 metric tons  
 Jet A1 (ATK) 8 000 metric tons  
 Gas oil (50/50 or 55/45) 13 000 metric tons  
 (Sulphur content below 1 %)

Supply: mix cargo by batch of 1500 to 2000 mt  
 1st delivery: 15th April 1994

Further deliveries: every 45 days after 1st delivery, according to program defined with Société Comarienne des Hydrocarbures.

Prices: in U.S. dollars CIF delivered invariably to Moroni or Mutsumudu. Based from medium quotation of Platt's Oilgram Price Report including and ventilating the other fees of loading, transportation, inspection, insurances and margins.

Payment: in U.S. dollars, by irrevocable and confirmed letter of credit. Financing: World Bank.

Any candidate interested in this international tender, can obtain a complete set of documents providing specifications and other necessary information against a non reimbursable payment of 100 US\$.

Sealed offers are to be received no later than February 5th 1994 at 11 a.m. GMT by:

Monsieur le Directeur Général  
 Société Comarienne des Hydrocarbures  
 P.O. Box 28  
 Moroni  
 Rf des Comores

Tender document can be obtained at:  
 Société Comarienne des Hydrocarbures: Moroni Comores  
 Tel: 73 04 86/73 09 71 - Fax: (269) 73 18 83  
 The 226 Hydrocom Ka

Embassy of Rf des Comores in France  
 20 rue Marceau 75016 Paris - France  
 Tel: 40 67 90 54 - Fax: 40 67 72 96

General Consulate of Rf des Comores in Saudi Arabia  
 P.O. Box 10635  
 Jeddah 21443, Arabie Saoudite  
 Tel: (966-2) 693 09 03 - Fax: (966-2) 693 35 42  
 Tel: 606786 Komr S.J.

Offers will be opened at the company's headquarters in Moroni (Comores) on February 7th 1994 at 1 p.m. GMT, with the bidders.



**Friday's Prices**  
NASDAQ prices as of 4 p.m. New York time.  
This list compiled by the AP, consists of the 1,000  
most traded securities in terms of dollar value. It is  
updated twice a year.

[illegible]

**Friday's Closing**  
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

Thermo	70	384	1496	1374	14	+	+
35% Thermo	71	384	1496	1374	14	+	+
35% Thermo	72	384	1496	1374	14	+	+
35% Thermo	73	384	1496	1374	14	+	+
35% Thermo	74	384	1496	1374	14	+	+
35% Thermo	75	384	1496	1374	14	+	+
35% Thermo	76	384	1496	1374	14	+	+
35% Thermo	77	384	1496	1374	14	+	+
35% Thermo	78	384	1496	1374	14	+	+
35% Thermo	79	384	1496	1374	14	+	+
35% Thermo	80	384	1496	1374	14	+	+
35% Thermo	81	384	1496	1374	14	+	+
35% Thermo	82	384	1496	1374	14	+	+
35% Thermo	83	384	1496	1374	14	+	+
35% Thermo	84	384	1496	1374	14	+	+
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35% Thermo	86	384	1496	1374	14	+	+
35% Thermo	87	384	1496	1374	14	+	+
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35% Thermo	63	384	1496				



# U.S.-Japan Ties At Risk Over Trade, U.S. Says

Compiled by Our Staff From Dispatches

**TOKYO** — A U.S. trade official said Friday that relations with Japan could suffer if the trade negotiations did not succeed by a February deadline.

"The results of the framework in February are going to color U.S.-Japan relations for a long time," said Jeffrey Garten, undersecretary of commerce.

The so-called framework talks, initiated by President Bill Clinton and former Prime Minister Kiichi Miyazawa in July 1993, are designed to increase Japanese imports of American-made automobiles, auto parts, telecommunications and insurance services, and medical technology, as well as to settle conflicts over intellectual property.

Both sides are seeking substantive agreements in several of those areas before Mr. Clinton and Prime Morihiro Hosokawa meet in Washington on Feb. 11.

U.S. negotiators have said they want measurable results from the talks, but they deny seeking market-share targets. Japanese officials and business executives say that whatever the label, numerical criteria to be achieved by a certain date would constitute managed trade and be unacceptable.

Mr. Garten said if the talks failed, there could be "very serious fallout in the U.S. in terms of attitudes about trade with Japan."

Echoing comments made in Tokyo this week by Joan Spero, undersecretary of state for economic affairs and agriculture, he said of the talks so far, "The fact is that we haven't moved an inch."

He added: "At least in the automotive sector, there's not even an agreement on the nature of the problem. They're saying that the Japanese market is open, that there are no barriers of any significance and that the problem is on the American side."

Separately, Soichiro Okamoto, vice minister for international affairs at the Ministry of International Trade and Industry, said the \$20-billion annual U.S. trade deficit with Japan in motor vehicles was caused by a failure of U.S. automakers to offer cars that meet Japanese needs.

"The major market segment is smaller cars," he said.

Mr. Okamoto agreed the two sides were far apart in the trade talks but said, "I am sure we can find some agreement which is acceptable to both sides." (Reuters, Bloomberg)

## Guangzhou, the Next 'Paper' Tiger? Cathay Pacific's Clerical Center May Be a Forerunner

Bloomberg Business News

**GUANGZHOU, China** — At first glance, the offices of Guangzhou Guo Tai Information Processing Co. would seem an unlikely nurturing ground for the next stage of southern China's economic transformation.

Occupying five floors in an unfinished building on Guangzhou's east side, the business is filled with young Chinese entering data from airline tickets into computer terminals.

In many ways, the operation is the information-processing centers worldwide, with photos clipped from magazines pasted on desks and the quiet clicking of keyboards.

What makes this center unique is the name on all of the thousands of tickets processed by its 200 workers each day: Cathay Pacific Airways. As the clerical center for the Hong Kong-based airline, the venture represents one of the first examples of a major Hong Kong company taking office jobs across the border in search of cheaper labor and land.

Hong Kong has already lost more than 40 percent of its manufacturing jobs since 1980. With costs continuing to spiral, it is only a matter of time before many clerical jobs follow, economists and local companies said.

"It's the obvious thing to do, especially after 1997," said Pamela George, a spokeswoman for Hongkong & Shanghai Banking Corp., which is studying the move of some of its clerical operations to southern China. Under an agreement with Britain, Hong Kong is to come under Chinese rule in 1997.

For now, Cathay Pacific has been left to blaze the trail alone. Since forming the Guangzhou subsidiary in November 1992, the airline has had to feel its way through a

maze of government agencies and learn to cope with a work force still learning the customs of the private marketplace.

The venture's unique position as a data-processing business in a budding manufacturing economy has not helped. In meetings with local government officials, Cathay Pacific managers have been hard pressed to explain what their workers produce.

"They always ask us to show them a prod-

The side effects of the city's economic boom may lead officials to pursue similar operations.

uct; we say we can't," said Benny Chan, one of 15 managers transferred to the operation. "At the beginning, it was very difficult to gain their trust."

The authorities in Guangzhou may become more interested in attracting similar service operations as the side effects of the area's industrial revolution become clear.

Since China began moving toward a market economy in 1978, Guangzhou, a city of more than 6 million people, has been the focus of a nonstop manufacturing and construction boom. Along with smoggy traffic, the boom has created a perpetual cloud of dust and smog over the city.

When Mr. Chan and his colleagues set out to hire workers in the area, they looked for university graduates, figuring English lan-

guage skills would be better among people with advanced educations. Very quickly, they regretted the decision.

Turnover among the university graduates, particularly among men, was high as they tired of the monotonous and relentless pace of the work. The company found much better success with women straight out of college, one level below universities in China.

The workers enter data from Cathay Pacific tickets and calculate exactly how much money the airline collects from each one. All of the data is sent to the airline's mainframe computers for use in accounting and setting fares and schedules.

As repetitive as the work is, it is better than many alternatives, said Huimeng Zhang, who was chosen from a pool of 4,000 applicants for one of the initial 200 spots.

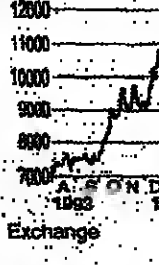
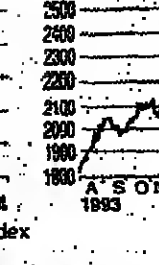
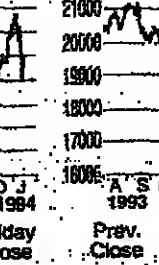
"There are more opportunities in an international company," she said. "Working in a national company, there is not so much work to do, not so challenging."

The labor savings from the operations have been substantial. The company has estimated moving the operation to China saves it \$10 million a year.

However, with inflation in Chinese cities such as Guangzhou running at about 30 percent in 1993, their cost advantage is quickly diminishing. Already, the starting wage at the airline's facility has almost doubled from the initial rate of 600 Hong Kong dollars (\$77.67) a month.

Economists said escalating prices and lack of suitable office space have helped deter other companies from following Cathay Pacific's lead.

### Investor's Asia

Hong Kong Hang Seng	Singapore Straits Times	Tokyo Nikkei 225		
				
Exchange	Index	Friday Close	Prev. Close	% Change
Hong Kong	Hang Seng	10,774.20	10,176.80	+5.87
Singapore	Straits Times	2,302.86	2,194.85	+4.92
Sydney	All Ordinaries	2,206.40	2,177.50	+1.33
Tokyo	Nikkei 225	18,973.70	18,577.26	+2.13
Kuala Lumpur	Composite	1,134.14	1,029.17	+10.20
Bangkok	SET	1,516.67	1,438.03	+5.47
Seoul	Composite Stock	875.03	868.56	-2.16
Taipei	Weighted Price	5,743.77	5,851.40	-1.84
Manila	Composite	2,922.22	2,901.15	+0.73
Jakarta	Stock Index	577.69	572.02	+0.98
New Zealand	NZSE-40	2,225.99	2,235.07	-0.45
Bombay	National Index	1,894.92	1,877.94	+0.90

Sources: Reuters, AFP

International Herald Tribune

Sources: Reuters, AFP International Herald Tribune

### Very briefly:

- Chinon Industries Inc., an Eastman Kodak Co. affiliate in Japan, said it had moved its entire output of floppy disks to Malaysia to cope with rising costs due to the higher yen.
- Toshiba Corp., a Japanese oil refiner in which Exxon Corp. and Mobil Corp. each own a 25 percent stake, will replace its president, Nobuyuki Nakamura, in a dispute over dividend policy, Japanese news agencies said.
- Tokyo Nissan Auto Sales Co. plans to start selling Ford Motor Co. automobiles in Japan around May.
- SBI Commercial & International Bank Ltd., the former Bombay branch of Bank of Credit & Commerce International, is expected to reopen by the end of January as a subsidiary of State Bank of India, a state-owned commercial bank.
- Vietnam's government expects to have a budget deficit of more than 10 trillion dong (\$1 billion) in 1994, equivalent to 6.7 percent of gross domestic product, the finance minister, Ho Te, said.
- Taiwan plans to lift its ban on rice imports in 1995 if it can join the General Agreement on Tariffs and Trade this year.
- China is considering allowing more foreign insurance companies to set up branches in selected coastal areas, Xinhua news agency said.

## Cambodia Is Seeking Investors in Mining

Reuters

**PHNOM PENH** — Cambodia is eager to hear from potential investors interested in developing the war-battered country's mining and energy sectors, according to the country's Minister for Industry, Mines and Energy, Roy Sathirak.

"Cambodia has very good potential with regards to the following: hard minerals, gold, gem stones, rubies, sapphires, phosphate for fertilizer and limestone for cement," Mr. Sathirak told an investment forum in Phnom Penh on Thursday.

More than two decades of civil war and violence, which formally ended with the signing of the 1991 Paris peace agreement, prevented development of the mining industry, he said.

A lack of capital, mining exper-

tise and skilled labor have added to the problem, Mr. Sathirak said.

He spoke of a potential oil bonanza waiting to be tapped beneath Cambodia's soil.

"I want to mention oil — we have three blocks left to be given for off-shore concessions and we have 19 blocks on shore with very good prospects around the Tonle Sap (Great Lake) area and along the Mekong River," he said.

The Cambodian government wants to encourage private-sector involvement in projects for developing energy resources, he said.

He added that opportunities also existed in power generation. "We not only need you to come and generate electricity," he told the forum, "we would like you to come and distribute and help with revenue collection as well."

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## THE MONEY REPORT

## FIRST COLUMN

## Controlling Traffic of Information

**M**ODERN day industrial revolutions are complex affairs. It is no longer as simple as buying state-of-the-art machinery, hiring cheap labor and producing as much and as fast as possible. There are now — thankfully — employment and environmental laws to be complied with. And the occasional bit of de-regulation to be done.

Witness the reform program facing the U.S. communications industry. Legislation is scheduled that would liberalize the market, allowing local, long-distance and cable television companies to compete against one another. It seems that legislators recognize that something needs to be done to provide a legal framework appropriate to an industry that is exploding with ideas and money.

It is understood that something must be done to accommodate the "information superhighways" (the fashionable expression for the flow of voice, video and other data over high-speed electronic networks into homes and businesses). Unfortunately, it seems that unless the proposed reforms make unprecedentedly speedy progress through the various legislative bodies we shall have highways without traffic signs. After the beginning of March, precedence will be given to pushing through U.S. health-care reform, so the information technology legislation stands a good chance of being left on the shelf.

At first glance, this may appear to be no bad thing, especially for lovers of the free market. They would argue that law should be descriptive of an industry that is evolving rather than prescriptive in an area where technical standards — and what can be done at a profit — are still being developed.

The markets at best only dimly understand what is going on, and communications present international investors with an almost unique prospect: A global, multi-billion-dollar industry where the majority of analysts are genuinely groping in the dark. If it were just a question of economics, investors might hope to make a good (or lucky) bet and make some money. But it's not as simple as that: At some time the legislators will turn their attention to the industry, change it around, tax profits, alter the market. You have been warned.

M.B.

Asia's Bustling Telecom Market  
Fast Growth Brings High Share Prices

By Betsy Massar

**I**T has been an exciting, up-and-down week for Asia stocks, notably in Hong Kong. But amid the storms, the telecommunications sector is predicted to remain relatively calm.

According to most analysts, telecommunications stocks, whether fixed line operators, or utility companies, or the new, smaller cellular companies, represent good prospects for the investor.

"People see telecoms as a positively biased proxy for with the growth in Asia," said Haddon Zia, research analyst at Jardine Fleming Securities in Hong Kong. "In addition to strong underlying economics, most Asian networks are still in their growth phases and are undergoing substantial line expansion."

Even Hongkong Telecom, which by regional standards is a fairly mature utility, has above-average growth prospects compared with the baby Bells in the United States, or British Telecom.

Two utilities where growth is expected to outstrip almost every other include Telekom Malaysia and Philippines Long Distance Telephone, or PLDT. Returns on both the Kuala Lumpur and Manila Stock Exchanges grew more than 100 percent in 1993, with widely held expectations of fundamental economic growth in both countries. In Malaysia this phenomenon will surely benefit the telecom industry, where line penetration currently equals only 12 per 100 individuals. A network isn't considered fully mature developed until it has reached 50 lines or more per 100 population. Philippines Long Distance has even a longer way to go with only 1.5 lines per 100.

According to Bill Ebsworth, Fidelity Investments Management (RIK), chief investment officer in Hong Kong, "it's a great fundamental story — top and bottom line. Asia's telecoms have faster growth than their Western counterparts. Basic service growth is accelerating off a low base of lines per capita, and increasing sophistication of the region's economies means explosive growth in areas like cellular, fax, and data transmission."

The problem is, Mr. Ebsworth said, that stock prices have all risen fast. The telecom delirium came to international attention when Singapore Telecom brought out 1.7 billion shares in its October initial public offering. While the stock was considered

overpriced at 40 times earnings, international investors, who were offered only a small portion of the listing, still participated, sparking a regional telecom rally.

The view that prices are getting a little high is shared by Michael Mahoney, Portfolio Manager for GT Global Telecommunications Fund, which at \$2.07 billion is the largest fund of its kind in the world. "I still think the growth potential in Asia is the best in the world. My concern is now you have to pay for that."

While the GT Global Telecom fund uses the utilities as core holdings, more than 50 percent of its Asian allocation is dedicated to smaller growth stocks.

"Some of the more interesting plays are in nonutility stocks," Mr. Mahoney said. "This is not to say that the utility stocks are not interesting, but of course the basic utility that's already established is not going to be able to produce the kind of growth rate that Champion Technology (HK) has already produced, or something like Advanced Information Service (Thailand) can produce, where they are building up this whole cellular system." He added, "Although in some ways Advanced is more like a utility than anything else because it's so hard to get a hookup in Bangkok."

Champion Technology is a mobile telecommunications company whose stock price has more than doubled over the past year, and is expected to continue growing as its projects in China come on stream. According to Mr. Mahoney, among the more attractive smaller regional stocks are Hong Kong's Pro-Art Technology, a maker and seller of pagers with a significant portion of revenues coming from China; and Hong Kong's ABC Paging.

In Thailand, Advanced Information Service, the primary cellular provider in Thailand, is a stock that has jumped more than 40 percent in value in the last month. A better value, said Mr. Mahoney, might be International Engineering Corp., which sells cellular handsets, and has not participated in the most recent Thai rally.

Mr. Mahoney also mentions Hong Kong's Orient Telecom, a company that has a major stake in Thailand's recent initial public offering of Telecoms Asia, and in Sapura, the Malaysian telecommunications equipment supplier.

Fidelity's Thai fund manager, Yocowadee Charnsethikul, adds Shinawatra Computer to the list of interesting Thai plays, based on its mobile telephone and satellite businesses. Andrew Harrington, Research Analyst at

## Global Telecommunications

Page 15

U.S. broadcasters branch out.  
Triple play in the U.K.

Page 17

German privatization

Solomon Brothers, is a fan of Hongkong Telecom on grounds of its potential for expansion in the Hong Kong-China market. "The driving force behind profit growth over the next five years," he said, "will be expansion in call volumes to and from the PRC as well as continued high growth in business lines within Hong Kong."

In a report on Hong Kong's telecommunications sector, Mr. Harrington recommends all Hong Kong telecom stocks as an investment play into China. "We believe that there will be substantial further upside in the shares as direct equity opportunities in the PRC start to emerge."

China has huge capital requirements, Mr. Harrington contends. "China faces a choice: Either provide an environment to attract capital by restructuring its telecommunications industry in order to provide returns for investors, or remain as they are. This is why I am so bullish on China: it is going to change because it has to, and all the Hong Kong companies will be investing."

Despite his bullishness, Mr. Harrington warns that the supply of new equity is increasing with a potential of \$5 billion in new offerings coming up. This would include initial public offerings for the Indian Telecom utility, VSNL, Thai Telephone & Telecommunications, and PT Telekom, the Indonesian phone company, all of which have already been announced.



Global Fixed-Line Telecoms Valuation Summary

Company	Year End	Market Cap (\$B)	PE Ratio	5yr projected annual growth
Asia	Dec	24.5	17.1	7%
Asia	Dec	16.5	11.9	4%
CHINA	Dec	42.9	16.9	3%
CHINA	Dec	12.9	19.4	9%
India	Mar	30.4	80.7	5%
India	Mar	24.4	25.7	16%
India	Mar	4.3	21.0	28%
Indonesia	Dec	37.1	44.4	16%
Indonesia	Dec	17.5	31.4	24%
Indonesia	Dec	5.7	19.9	12%
Japan	Dec	35.1	11.0	18%
Japan	Dec	5.3	22.0	19%

Source: Flemings Research, Solomon Bros. Research

\* financial year

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Scudder, based in New York, has inaugurated its Emerging Markets Income Fund, which will initially concentrate on high-yield

bonds from issuers in Argentina, Brazil, Mexico and Venezuela. Later, the fund is expected to pursue similar debt securities issued in Asia, Africa, the Middle East and Eastern Europe. Analysts say the open-ended mutual fund for U.S. investors may provide Scudder a valuable complement to its Luxembourg-based Global Opportunities Funds, launched in April.

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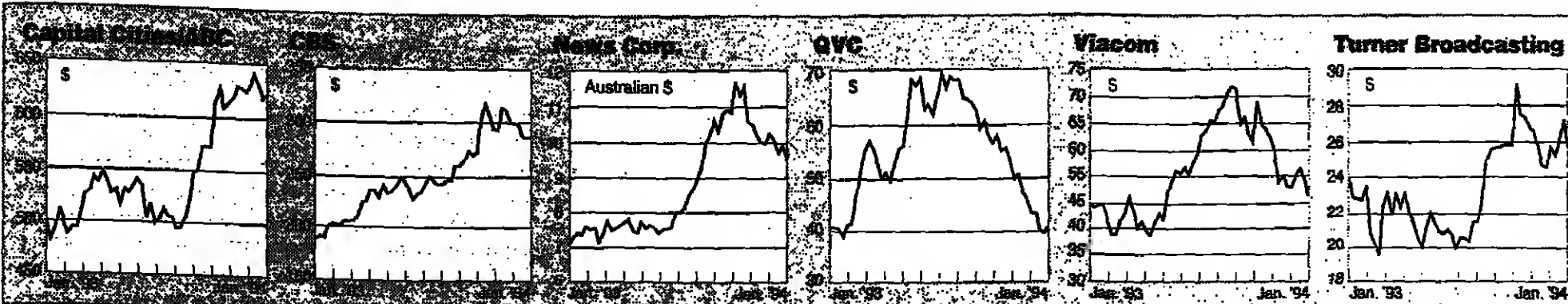


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## THE MONEY REPORT



Source: Bloomberg

International Herald Tribune

## Broadcast Firms Seek Pole Position on Electronic Highway

By Philip Crawford

THE word "broadcasting" is rapidly becoming an anachronism. As television merges with telecommunications, 500-channel, digital technology era. Today's broadcasters are assembling a diverse arsenal of classic films, see-it-as-it-happens news shows, major sporting events, home shopping opportunities, and various information channels in order to compete.

Two major industry developments of the past year highlight the trend. The Fox network's outbidding of CBS Inc. for broadcast rights to National Football Conference games for the next four years, and the bidding war between Viacom Inc. and QVC Network Inc. for control of Paramount Communications Inc., are prime examples, say analysts, of major players trying to prepare for a higher-tech future in which consumers will have a huge choice of entertainment and information fare that will flow into their homes along the now-under-construction electronic superhighway.

Paramount is currently the belle of the ball, many add, due to its diversity. In addition to its film

library, movie studio and television shows, Paramount owns the Simon & Schuster publishing house and two high-profile sports teams in the country's largest media market: the New York Knicks, of the National Basketball Association, and the New York Rangers, of the National Hockey League.

For investors, the prospects appear mixed. While heavy corporate spending for new technology and new programming can bode well for the future, it can also hurt short-term earnings and share price growth significantly. And the overall U.S. economy, while forecast by many to cling along satisfactorily in 1994, is not expected to generate any windfall in advertising revenues for broadcasters. Analysts say, accordingly, that investors considering exposure to the sector in 1994 will have to pick and choose carefully. Professional opinion varies, moreover, on which companies have the most attractive shares.

CBS, defeated by Fox for the rights to broadcast NFL games, and later spurned by the National Football League in a last-ditch bid for broadcast rights to American Football Conference games, is getting hot and cold notices from analysts. A central question, naturally, is how much the loss of profes-

sional football, which CBS had carried regularly since 1956, will hurt the network. CBS had been losing money on football for years, but the Sunday afternoon games provided a seamless lead-in to the network's Sunday night programming, which included the top-rated news program "60 minutes." Fox's bid of \$1.58 billion was reported to be about \$400 million higher than CBS's offer.

"CBS was in a no-win situation with the NFL," said John G. Nelson, who tracks broadcasting stocks for Brown Brothers Harriman in New York. "If the other guy is willing to pay an outrageous price, you're out of the game. Fox obviously felt they had to make a big splash, but an offer of that magnitude hints of desperation. How CBS will fare depends on what they replace the football with. For now, I have a neutral rating on CBS shares."

But Melissa Cook of Prudential Securities Research came through with a "buy" rating on CBS. "I don't see the loss of football as having an adverse effect on the Sunday night programs," she said. Both Miss Cook and Mr. Nelson gave a "buy" rating to shares of Capital Cities/ABC Inc., which will shell out \$1.09 billion for the rights to televise Monday night

NFL games for the next four years. "Cap Cities has more momentum in the ratings right now than CBS, and it's more diversified, owing about 80 percent of ESPN and a third of the Arts and Entertainment Network," said Mr. Nelson. In late December, five of the top 10 rated U.S. television shows were broadcast on ABC.

Jessica Reif of Oppenheimer & Co. gave a neutral rating to Capital Cities/ABC shares, however. "They've had good momentum for the past couple of years," she said, "but I think their ratings have peaked."

And what of the Fox network, owned by Rupert Murdoch's multimedia giant News Corp.? In the wake of the football coup against CBS, Mr. Murdoch was reported to have said that broadcasting NFL games would likely be a big money-loser for Fox, but that the prestige of the contract would compensate by raising the network's profile and enhancing overall advertising revenues. Some analysts agree with him.

"Until now, Fox has been a distant fourth network behind ABC, NBC and CBS," said Miss Reif. "Now it has an opportunity to move into the major leagues. Having NFL football provides a golden opportunity to convert people into

being regular viewers of Fox." Fox does not have separately traded shares, but Miss Reif said the recent developments at the network have significantly contributed to her "buy" recommendation on the parent company shares.

News Corp. For the fiscal year ending in June, Fox should account for about 23 percent of News Corp.'s operating profit, Miss Reif added. The NBC network is owned by General Electric Co., but many analysts say that its operations represent too small a slice of GE for it to figure heavily on ratings of GE shares.

Other than Mr. Murdoch, the broadcasting magnate with the highest international profile may be Ted Turner, owner of Turner Broadcasting System. TBS's acquisitions since 1991 of such properties as the MGM film library and the Hanna-Barbera cartoon library — the last 50 percent of which was acquired in December — are one reason why some analysts expect TBS shares to outperform the market. Another is Turner's international news network, CNN.

"Turner owns the underlying rights to so much material," said Tom Wolzstein, who covers the broadcasting sector for Sanford C. Bernstein in New York. "With the international sales and marketing

## For Britain, 3 Companies Tell the Tale

By Rupert Bruce

THE tale of the British telecommunications sector is one of three stocks: the utility, British Telecom; the fast-growing cellular phone company, Vodafone; and the multinational with operations in many rapidly deregulating and developing markets, Cable & Wireless. They are respectively perceived on the London Stock Exchange as dull but dependable, exciting but perhaps erratic, and solid with every likelihood of outperforming.

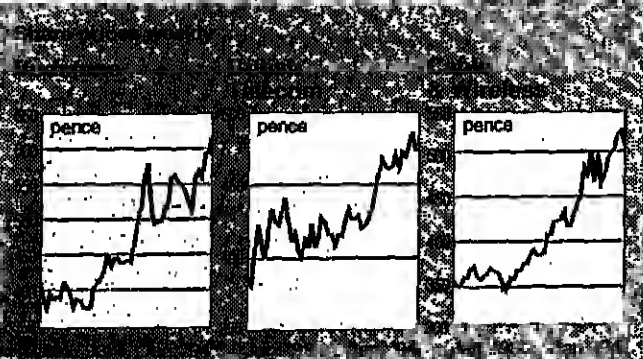
BT, the former state monopoly phone company, has been reduced to its present state by stringent regulations that have made its once-exciting profit growth predictable, and Vodafone is growing quickly as ever more European yuppies become acquainted with mobile phones. Cable & Wireless, however, is the ace in the pack. It has stakes in a range of businesses that are challenging former state monopoly operators in Britain, Australia and Sweden; a 50 percent stake in Britain's latest mobile phone operator, Mercury One-2One; a 58.4 percent stake in Hong Kong Telecom, the colony's monopoly operator; and 79 percent in Telecom of Jamaica. In addition, it owns more than 25,000 kilometers of fiber optic submarine cables linking the world's major financial and trading centers.

Even Miller, Lehman Brothers' telecom analyst in London, said: "My order of preference, partially reflecting recent price changes, puts Cable & Wireless very much on top of the list. It has had a setback [the stock has fallen back with prices on the Hong Kong Stock Exchange] but Hong Kong remains a very high growth story."

Many analysts argue that at a time when the global telecommunications industry is embroiled in a rapid pace of change, caused by new technology, new incentives for infrastructure investment and deregulation, Britain is in the vanguard of many of these changes. As with any other industry that undergoes a period of rapid change, all companies are adjusting rapidly but some should do better than others.

Martin Mabbatt, telecommunications analyst at James Capel, a British brokerage, said: "In any sort of long-term sense we are positive on the whole sector for the same reason most analysts are positive on most telecom stocks around the world. That is it is a rapidly growing sector with changes in technology enabling telephone companies to offer new services and so we have a multimedia explosion of this, that and the other."

"There is a lot of opportunity for increased volume with, in some



Source: Bloomberg

International Herald Tribune

cases, trends towards lower costs." To put this into context, the average domestic phone line in Britain is used four minutes a day. The view is that there is plenty of room for an increase with new services and people might be enticed to stay on for, say, half an hour a day — a huge increase.

BT's prospects are considered the most predictable because of the price cap imposed on it by OfTel, the British telecommunications regulator. Under this, British Telecom's prices are based on the retail price index — which measures Britain's inflation and currently is running at about 2 percent a year — minus 7.5 percentage points, resulting in an effective reduction of 5.5 percent a year.

"You have got to look at British Telecom like any other privatized utility because of the tough pricing formula," said Jim McCafferty, an analyst at the British brokerage Hoare Govett. Analysts say that with this outlook any progress in

earnings must come from cuts in the 165,000 staff. BT has indicated it plans to reduce its work force by about 15,000 a year for the next few years.

According to the Estimate Directory, the consensus analysts' forecasts are: £2.775 billion (\$4.2 billion) profit before taxes, with per-share earnings of 29 pence for the year ending in March. This puts the share on a prospective price-earnings ratio — the share price divided by forecast per-share earnings — of just over 16.

Analysts generally agree BT's earnings growth will be lackluster for the next few years, hampered as it is by government regulation. But some still recommend buying it on the basis of a relatively cheap share price and a historic dividend yield of more than 4 percent.

Vodafone, on the other hand, is almost uniformly regarded as overpriced. The consensus forecast for Vodafone's per-share earnings is 23.8 pence for the year ending in

March, which puts it on a high price-earnings ratio of almost 26. "Love the company, love the sector," said Mr. Miller of Lehman Brothers, "but Christmas comes but once a year, sadly for Vodafone."

He was referring to the euphoric rise in the stock price in reaction to recent sales figures. In December, for example, Vodafone signed up 52,500 net subscribers, taking it past the 1 million mark. That compares with a gain of 15,420 subscribers in July. Mr. Miller's point is that these were Christmas sales and it is wrong to expect them the year around.

Cable & Wireless, however, is thought to be a good buy by many analysts because it is expected to show superior long-term earnings growth and is relatively cheap. On a consensus forecast of per-share earnings of 22.3 pence for the year ending in March it would have a price earnings ratio of just under 23.

Some analysts said it should be bought on its share price weakness which has followed a setback on the Hong Kong stock market, where its subsidiary and largest earner, Hongkong Telecom, is quoted.

"The story has become an exciting one even apart from Hongkong Telecom," said Mr. Miller. "In point of fact the non-Hong Kong businesses within Cable & Wireless are nearly all growing more quickly than Hong Kong. Mercury is growing more quickly, most of the Caribbean operations are, and areas like North America, Australia and Sweden are growing almost exponentially."

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2. Fidelity International Growth Fund	2. Fidelity International Growth Fund	2. Fidelity International Growth Fund
3. Fidelity International Growth Fund	3. Fidelity International Growth Fund	3. Fidelity International Growth Fund
4. Fidelity International Growth Fund	4. Fidelity International Growth Fund	4. Fidelity International Growth Fund
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9. Fidelity International Growth Fund	9. Fidelity International Growth Fund	9. Fidelity International Growth Fund
10. Fidelity International Growth Fund	10. Fidelity International Growth Fund	10. Fidelity International Growth Fund

## Leading Equity Funds, 1993

Performance of funds invested in each market over one year to Jan. 3, 1994. Value of \$100, income reinvested, excluding charges.

Hong Kong	Britain	Germany
1. Fidelity International Growth Fund	1. Fidelity International Growth Fund	1. Fidelity International Growth Fund
2. Fidelity International Growth Fund	2. Fidelity International Growth Fund	2. Fidelity International Growth Fund
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## Awaiting the Floating of a German Giant

By Ann Brocklehurst

POLITICIANS in Bonn have been lagging over the terms for the privatization of Deutsche Telekom, set to take place in 1996. The deal will create Germany's largest quoted company and will offer investors a chance to buy into a telecommunications giant whose market value may be exceeded only by American Telephone & Telegraph Co and Nippon Telegraph & Telephone.

Of the slow of European telecommunications privatizations coming up, the Deutsche Telekom sale is, due to its sheer size, the most eagerly awaited, but even its most basic conditions have yet to be determined.

How the government decides to regulate the German phone industry and how much control it retains over Deutsche Telekom "will have the greatest single impact on the company's valuation," analysts wrote in a recent report. "Our preliminary model," the report added, "indicates a potential 1996 market capitalization of 85.2 billion DM (\$53.2 billion) based on our assumptions of a moderate regulatory environment for the company."

But the report continues, "Uncertainty on key regulatory issues will lead to a pessimistic investor attitude to the company which we estimate would cut our 1996 equity evaluation of 85.2 billion DM by up to 50 percent."

Uncertainty is exactly what there is at the moment as politicians try to negotiate an agreement that will give them the two-thirds majority needed to amend the constitution to allow for the privatization. They are also under time pressure since privatization could be delayed or scuttled if the law is not in place before federal elections later this year.

While there is competition in the German mobile phone business, Deutsche Telekom is alone or completely dominant in almost all other sectors of the market, including cable television. Evan Miller, telecommunications analyst at Lehman Brothers in London, sees the company's size as a major strength in a "very scale-sensitive" industry.

He also says Deutsche Telekom is well positioned to take advantage of the emerging Central European market. Just last month Deutsche Telekom and a U.S. partner, Ameritech Corp, won a 30 percent stake in Hungary's state telephone company Matav, with an \$875 million bid. Hungary's telecommunications minister, Gyorgy Schamchula, suggested the consortium won out because of its experience in modernizing phone systems in Eastern Germany.

Thomas Ehrmann, senior manager at Price Waterhouse Berlin and a telecommunications authority, expects foreign investors to snap up the stock as they have shares of smaller telecommunications companies elsewhere. "They will buy without even looking at whether the price is right or not simply because it's German."

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## SPORTS

Seizinger Rallies  
In Downhill for  
First '94 Victory

By Ken Shulman  
International Herald Tribune  
CORTINA, ITALY —

Katja Seizinger of Germany rallied in the middle of the 2,600-meter Olympia della Tofane course to win the women's downhill on Friday, her first victory of the season.

Seizinger finished in one minute, 25.72 seconds, 37 seconds ahead of Austria's Veronika Stalmeier-Wallinger. Kate Pace of Canada, the world downhill champion, was third, 51 seconds off the winning time. Hilary Lindh of the United States was fourth, in 1:26:35.

"I didn't feel so great on the top part of the course," said Seizinger, who won six races last year. "In fact, I was a bit worried. But when I got to the middle I saw that I was skiing well again."

Overcoming a slow start that left her 39 seconds behind the leader after the first third of the course, the German downhill ace cut a perfect line through the remainder of the fast, winding track.

"There were some turns, and one turn in particular, that was extremely important," said Seizinger, who was edged out by Anita Wachter of Austria for last year's overall World Cup title by just 20 points. "I took that turn well, and it enabled me to come into the flats at top speed."

All the downhill racers were happy today to finally be able to run a regular race. Seizinger, 21, said after her 11th career victory, "It was a great race, and great for my confidence."

The year's first downhill, in Tignes, France, was shortened because of bad weather, while the second downhill, in St. Anton-am-Arlberg, Austria, was divided into two legs.

For Pace, who won the season's opening downhill, the Cortina race belied her reputation as a skier who does not perform well on challenging, technical courses.

"I want to prove to myself that I can ski any course on the World Cup circuit," said Pace, 24. After three races, she trails Seizinger by 2 points in the World Cup downhill standings.

"I knew Katja was skiing well," she said. "So I needed to give it my best effort. I had a very good training run this morning, and I was very comfortable at the start."

Lindh's fourth-place showing was her best result in a World Cup race. "I had the same sort of feeling at the start of today's race that I did at Meribel," she said, referring to her silver medal in the 1992 Olympic downhill. "I made a slight mistake at the top of the course, but I skied the bottom better than anyone else. I'm very happy, even though I don't think I skied as well as I could."

The World Cup overall leader, Pernilla Wiberg of Sweden, placed 21st on Friday, bringing her point total to 720. Vreni Schneider of Switzerland, who competes only in slalom and giant slalom, is in second place with 698 points. The early leader, Wachter, who was 37th on Friday, is third with 654 points.

On Saturday, the women will race a super-g, while Sunday's giant slalom will close out the three days of racing at Cortina.

**Rerun for Austria Super-G**  
The International Ski Federation on Friday ordered a rerun of the Jan. 8 women's World Cup super-g race, which was stopped after only 33 of the 85 skiers had left the starting gates. The Associated Press reported from Oberhofen, Switzerland.

This deprived Heidi Zurbriegen of Switzerland of her first World Cup victory. She was leading when organizers at Altenmarkt, Austria, called off the race after several competitors crashed on a course made treacherous by a sudden drop in temperature.

The general secretary, Gianfranco Kasper, said the federation's 18-member council, in a split vote, overruled the race jury, which validated the results only after the Swiss team protested. The place and date of the rerun will be set later, he said.

**Kitzbühel Session Halted**  
The timed training session Friday for a men's Alpine skiing World Cup downhill race at Kitzbühel on Saturday was called off because of rain, organizers said, Reuters reported.

The rain, combined with warm weather and fog on the upper part of the Streif course, made training impossible, they said. Organizers said they were confident that the race could be held as planned on Saturday.

Last year, the Streif downhill had to be canceled due to a lack of snow and warm weather.

The necessary two practice sessions for Saturday's race have already been held.

On Wednesday, Patrick Ortlieb of Austria, the Olympic champion, set the fastest time, in Thursday's practice. Daniel Maher of Switzerland had the best time.

By Samuel Abt  
International Herald Tribune

PARIS — Soaring on wings of suspect wax, Francesco Moser hopes to break the most revered speed record in bicycling on Saturday. Around and around an outdoor track in Mexico City he will go, propelled more than 25 feet with each revolution of the pedals as he aims to travel farther than anybody has ever gone in a one-hour ride.

Can he do it? In the Italian's favor is the fact that he set the record once before on the same high-altitude track. But that was 10 years ago this month and he is now nearly 43 years old and has been retired from competition since 1988.

In his day — the late 1970s through the mid-1980s — Moser was a formidable rider, victorious in the grueling Paris-Roubaix race three times, a winner of the Giro d'Italia, a world champion on the road and track. Lately, he is a prosperous maker of wine and bicycles and a familiar figure at Italian races as a spectator and official.

Until last summer he rode his bicycle solely for exercise. Then his record for the hour's ride was broken and Moser announced that, assisted by the

Pick of the Playoff Crop? Chiefs-Oilers Looks Ripe  
In Buffalo, Fierce Weather  
May Freeze Out Raiders

CHIEFS (12-5) at OILERS (12-4): KEY STAT: Chiefs' Joe Montana is 15-5 in playoff games with league record 40 touchdown passes and 17 interceptions; he is 4-0 vs. the Oilers and team is 8-0 this season when it rushes 29 times or more. The Oilers have won five straight at home vs. Chiefs, including 30-0 victory in Week 2. Warren Moon is 6-2 vs. Kansas City and threw for 527 yards vs. Chiefs in 1990 (second-most in league history), and Gary Brown's five 100-yard rushing games most by an Oiler since Mike Rozier's five in 1987.

COMMENT: Kansas City has not won in Houston since a 13-10 overtime victory in 1983. In their lopsided loss there early in the

## NFL MATCHUPS

regular season. Montana did not play. This could be the best game of the playoff bunch, since it is the only game that pits two divisional winners (Kansas City from the AFC West and Houston from the AFC Central). One can expect that Buddy Ryan's defense will come after Montana hot and heavy, but Montana is nimble enough and smart enough to make quick reads and quick passes. The game falls on Montana's shoulders and in the Chiefs receivers' hands, because Kansas City will most likely not run effectively in this game. That puts Montana right where Ryan wants him. Moon will not have as many problems with the Chiefs' defense. Oddsmakers favor the Oilers by 7 points.

RAIDERS (11-6) at BILLS (12-4): KEY STAT: Raiders' Jeff Hostetler is 4-0 in playoff games with six touchdown passes and no interceptions and is also first Raider to pass for 3,000 yards in a season since Ken Stabler in 1979. The Bills have won six straight playoff games at home. Thurman Thomas finished first in total scrimmage yards for fifth straight season, and Bruce Smith made at least one sack in 10 games.

COMMENT: Here go the Raiders again venturing into cold weather with their coaches wondering just how the cold will affect the offense. The defense should be fine. But the Raiders rely on big-play passing and the key question is whether the receivers will be able to hold onto the ball in frigid conditions (game-time temperatures could dip below zero degrees Fahrenheit, or minus 18 degrees centigrade). Another problem for the Raiders is the Buffalo pass rush. It is much stronger than Denver's, so Jeff Hostetler will not enjoy the extra time he gained vs. Denver in passing for three touchdowns. Add the cold and the fact that the Raiders play their second game in six days, while the Bills had two weeks to prepare, and the odds and the game seem nearly insurmountable for the Raiders. Bills by 6½.

GIANTS (12-5) at 49ERS (10-6): KEY STAT: The Giants' coach, Dan Reeves, is 10-4 vs. NFC West teams; team is 10-2 when Rodney Hampton rushes for 100 or more yards, and Phil Simms has not been intercepted in his last seven games and only once in six postseason games. The 49ers are 10-3 in playoff games at Candlestick Park since 1981, and Steve Young in 10 postseason games has rushed for 184 yards on 30 carries with two rushing touchdowns.

COMMENT: The Giants have to be encouraged by the fact that Hampton rushed for 161 yards vs. Minnesota and the league's top-ranked defense that was allowing an average of only 95.9 rushing yards per game. The 49ers are not nearly as good vs. the run and if the Giants



Kevin Gogan, left, and Frank Cornish kept their minds off the Packers with a game of one-on-one in the Dallas locker room.

get Hampton going early, they are in this game for good. The flip side is not only Ricky Walters running at tailback but Young's scrambling ways, too. He can take a negative play and turn it into a positive with slippery moves and above average speed. This should be a physical game from the opening kickoff and in that area, the Giants have an edge. But look for San Francisco's speed on offense to make the difference — and Young's timely runs. 49ers by 7½.

PACKERS (10-7) at COWBOYS (12-4): KEY STAT: Packers, a league best 14-5 in postseason, recorded consecutive winning seasons for the first time since 1966-67 and lost, 36-14, at Dallas in Week 5. The Cowboys have played in league record 41 postseason games and own league mark 24 victories. Troy Aikman has eight touchdown passes and one interception in four postseason games, and defense has not allowed a first half touchdown in its last 11 quarters.

COMMENT: Dallas is very confident in this matchup. Dallas handled the Packers easily during the regular season and limited the Packers' super receiver, Sterling Sharpe, to only four catches. That will change. Sharpe has become the focus of the Green Bay offense, and for good reason: he offers elusive moves, good hands and excellent speed after the catch. He is strong. His matchup vs. cornerback Kevin Smith is worth watching. Smith made at least one interception in three of his last four games. Green Bay is riding high after its miraculous playoff victory at Detroit, but the bubble could burst here. Look for the Dallas offense to click from beginning to end, and for defensive end Charles Haley to return to bruising form and spark the defense. Cowboys by 14.

These National Football League matchups were prepared by Thomas George of The New York Times. Odds were provided by Harrah's.

## 10 Years Later, Same Track, Same Cyclist, Same Goal: The Longest Hour

By Samuel Abt  
International Herald Tribune

PARIS — Soaring on wings of suspect wax, Francesco Moser hopes to break the most revered speed record in bicycling on Saturday. Around and around an outdoor track in Mexico City he will go, propelled more than 25 feet with each revolution of the pedals as he aims to travel farther than anybody has ever gone in a one-hour ride.

Can he do it? In the Italian's favor is the fact that he set the record once before on the same high-altitude track. But that was 10 years ago this month and he is now nearly 43 years old and has been retired from competition since 1988.

In his day — the late 1970s through the mid-1980s — Moser was a formidable rider, victorious in the grueling Paris-Roubaix race three times, a winner of the Giro d'Italia, a world champion on the road and track. Lately, he is a prosperous maker of wine and bicycles and a familiar figure at Italian races as a spectator and official.

Until last summer he rode his bicycle solely for exercise. Then his record for the hour's ride was broken and Moser announced that, assisted by the

esteemed sports doctor Francesco Conconi, he would be back for another shot. Not to try to regain the record, Moser explained, but to see if he could better his own mark. A personal best was all he sought, he said unconvincedly.

Among those most unconvinced is Chris Boardman, the 25-year-old Briton who holds the hour record of 52.370 kilometers (32.570 miles).

"I've never considered that Francesco was going for a personal best," Boardman said this week in a telephone interview. "It's not logical to go to Mexico, have a track resurfaced, assemble some of the best doctors in the world, work with Professor Conconi, have a bike developed — you don't do all that for a personal best."

"For a personal best," he continued, "you hire the track in Stuttgart for the day, you get your old bike and you try to beat your old record."

Agreed, then, that Moser is going for Boardman's record, which was set July 23 on the indoor track in Bordeaux. The question remains: Can Moser do it? While the general feeling is no, two men who understand the record better than most think he can.

"Nothing's impossible," said Graeme Obree after a humming mantra of thought. Obree mastered the impossible on July 17 when he rode his home-made and revolutionary bicycle around the track in Hamar, Norway, fast enough to break Moser's record. The 28-year-old Scot covered 51.596 kilo-

Can Moser do it? While the general feeling is no, two men who understand the record better than most think he can.

ometers, or 445 meters farther than Moser's 51.151 kilometers in 1984. A week later in Bordeaux, Boardman outdid them both.

The ebullient Obree said he was pleased that Moser was going for the record. "He's a true champion — he's come back," he said. Obree is even pleased that Moser has copied his handlebars, his bicycle design and his aerodynamic riding position.

"That's very nice," Obree said over the phone. "No problem at all."

Even better, the Scot continued, was what nearly everybody else regards as one of Moser's major flaws. "I think the best thing is the age, trying to break it at his age," he said. "If you've got it, why not carry on?"

Boardman was more cautious. "Forty-two is not a huge disadvantage when you can afford to commit yourself to the task for a long period and you have the resources to prepare in any way you see fit," he said.

"He's been out of competition but he hasn't stopped riding a bike," Boardman said. "The body doesn't change overnight; you develop something over many, many years and it doesn't just disappear. He's never stopped riding the bike and he won't be unfit till the day he dies."

"It's feasible that he will break my record," he concluded. "I don't think he can cruise it but I think it's possible he can pip it."

The thin air in Mexico City will help Moser since it offers less resistance than Boardman encountered at sea level in Bordeaux. That thin air is

notoriously polluted, however. Boardman noted this, saying, "What has deteriorated in the 10 years since Moser set his record is the air quality, in Mexico — that should be a big consideration."

If Moser does reclaim the record, both Boardman and Obree intend to go after it again.

"Yes, definitely," Boardman said. "But in the longer term, not the shorter one. I've got my plate filled for the next year, trying to establish myself in the pro world." He has signed for this season with the Gan team based in France and will be competing mainly on the road.

"Gan is very supportive of my going for the record again," he said, "but in 1995, not 1994."

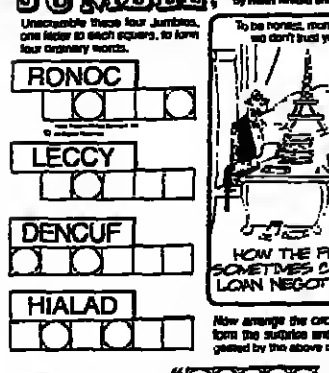
There will be no such wait for Obree, who had already planned an attempt this year to beat Boardman's mark. If Moser gets there first, he said, he will shoot for the new record instead.

Obree, who organized his successful record attempt when he was broke and living on welfare payments in Scotland, was impressed by the vast technical and financial support behind Moser. "If I had any of that," he said with a laugh, "I would have done a breakdance."

## DENNIS THE MENACE



## JUMBLE



Answers: JUNE, FRUIT, UNLOAD, JACIN, A FULL DECK

## PEANUTS



## BLONDIE



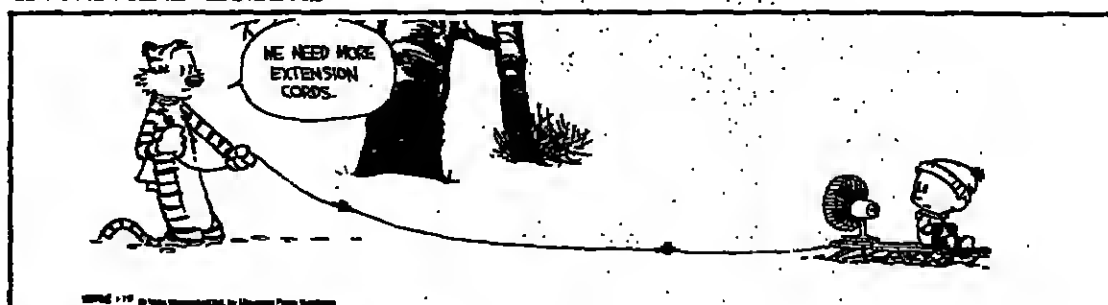
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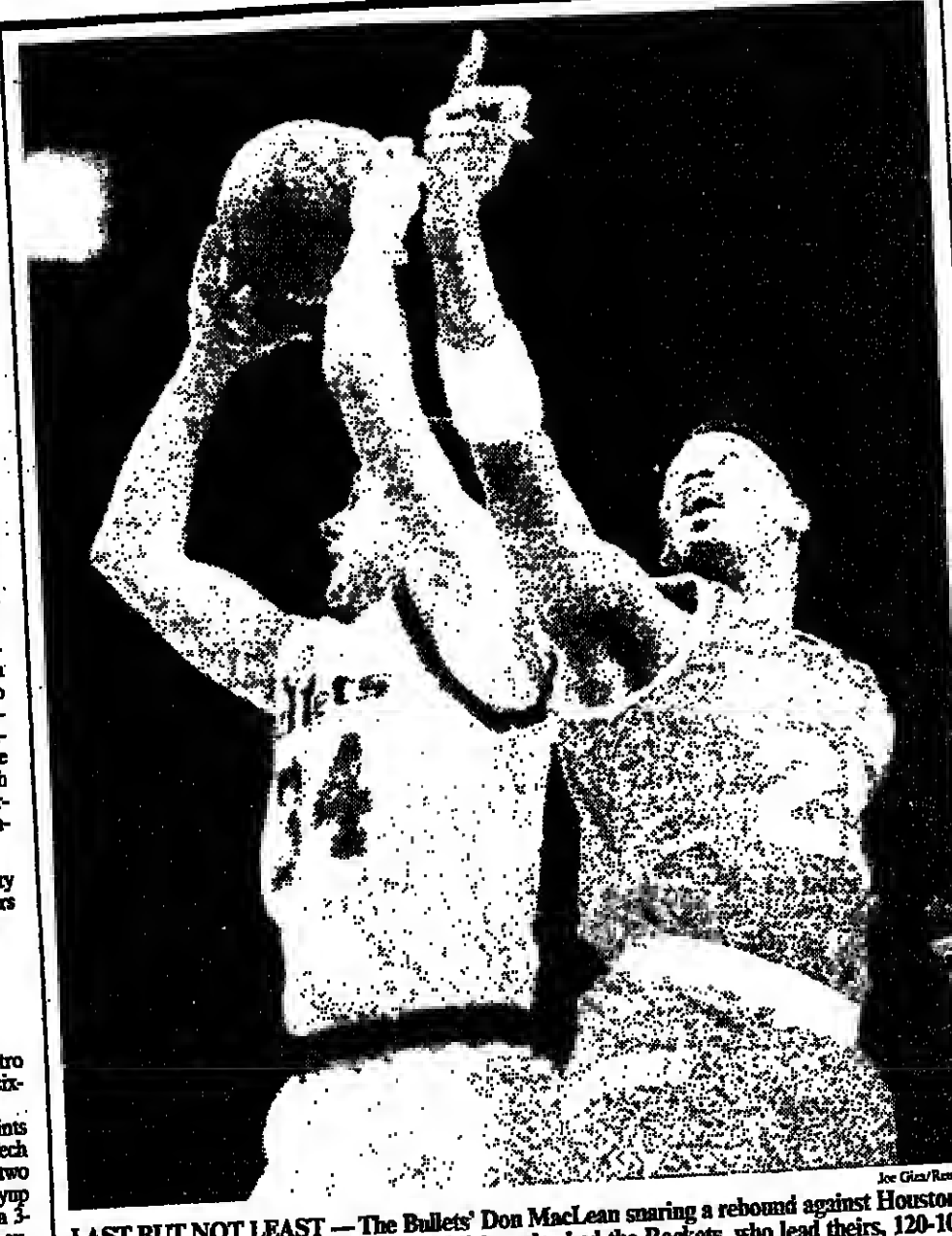
# SPORTS

## Coaches Put Off Boycott Plan After White House Intervention

**The Associated Press**  
WASHINGTON — Black basketball coaches agreed on Friday to postpone their threatened boycott of this week's college games after the White House intervened in their dispute with the National Collegiate Athletic Association. Because of "interference" from the White House, the coaches agreed to delay the boycott, said Drake's coach, Rudy White, executive director of the Black Coaches Association. Representative Kweisi Mfume, Democrat of Maryland, said the 40-member Congressional Black Caucus had asked the White House to step into the dispute over reduced athletic scholarships and proposed higher admission requirements. Mfume said the coaches' plan to boycott was "prepared" to intervene, but he did not say specifically just how. "The Justice Department has expressed a desire to help mediate and arbitrate the differences that exist," Mfume said. "We are asking that they look at a full range of issues. A number of things have festered for too long."

## Wake Forest Keeps Duke No. 2

**The Associated Press**  
Duke blew a chance to take over the top spot in college basketball. The No. 2 Blue Devils were in line to become the nation's top-ranked team after No. 1 North Carolina lost to Georgia Tech on Wednesday. But Duke was upset by Wake Forest, 69-68, on Thursday night in Randolph County in Durham, North Carolina. "I can't remember a more dramatic win for us in my four and a half years at Wake Forest," Coach Dave Odom said. Although Odom's shot was clearly under the arc, officials did not signal that it was a 3-pointer, and the scoreboard read 68-68 after the ball went through the basket. So after Grant Hill missed a 15-footer for Duke in the closing seconds and time ran out, the Blue Devils' coach, Mike Krzyzewski, thought the game was going into overtime. When he realized Duke had lost, he went to the scorer's table looking for an explanation. Wake Forest (11-3, 2-0 ACC) upset Duke (10-1, 2-1) at Cameron for the second straight season. No. 5 UCLA, Washington State, Tyus Edney made the go-ahead basket and two free throws down the stretch to help visiting UCLA remain undefeated. Edney's jumper with 1:51 remaining gave the Bruins (10-0, 2-0



LAST BUT NOT LEAST — The Bulls' Don MacLean snaring a rebound against Houston's Robert Horry. Washington, last in its division, shocked the Rockets, who lead theirs, 120-102.

## Rugby: England Favored? Not by French

**The Associated Press**  
LONDON — After its impressive recent victory over New Zealand, England is the clear favorite to win the Five Nations rugby union tournament, which starts Saturday. The French, however, don't see it that way. In November, a week after the All Blacks had crushed Scotland, 50-15, at Murrayfield, England prevented New Zealand from scoring a try and produced a well-controlled performance at Twickenham that earned a 15-9 victory, its first over the All Blacks in 10 years. In theory, that makes England the strongest team in the tournament. But France is the defending champion and faces England in Paris in March, when French rugby is usually at its best. "I feel we have everything in our favor," said Serge Blassac, the former French fullback who starred for the 1981 and 1987 teams that won Grand Slams. "The match against England is the key to the whole championship and I believe France will win, playing at home." "I'm not saying France will necessarily win the Grand Slam. But, Grand Slam or not, France will win the championship."

## 3 Suspects Held In Alleged Plot To Hurt Skater

**Compiled by Our Staff From Dispatches**  
PORTLAND, Oregon — Two men, including Tonya Harding's bodyguard, were in jail, and a third man surrendered Friday on charges that they had participated in the alleged plot to disable the figure skater Nancy Kerrigan. Harding, scheduled to skate in next month's Winter Olympics, and her ex-husband, Jeff Gillooly, were spotted leaving their rural home on Friday. The couple had remained out of sight since Tuesday amid questions about their roles, if any, in the alleged plan. Neither Harding nor Gillooly answered questions and it was not known where they were going. Kerrigan, asked at a news conference Friday outside her Massachusetts home why someone would hit her, said, "I don't think I could ever understand the answer because I can't think that viciously." She said her recovery was going well and that she did not expect the injury to affect her Olympic performance. She would not answer questions concerning arrests in the case. Shane Minoaka, 22, surrendered Friday to the authorities in Phoenix, Arizona, according to an FBI spokesman, Bart Gori, in Portland. Gori said Stant was charged with conspiracy to commit assault, a state charge, and unlawful flight, a federal charge. "He's a parasitical sort of guy who is familiar with weapons," Gori said. Gori had described Stant as armed and dangerous and said he was believed to possess a shotgun and a 9mm semi-automatic pistol. Gori said the FBI was not searching for any other suspects in the case, but said, "We have some leads and are pursuing them." The Portland assistant district attorney, Norm Frink, did not respond when asked if more arrest warrants were expected. Harding's bodyguard, Brian Eric Eckardt, 26, and Derrick Shaw Smith, 29, were arrested Thursday night and charged with conspiracy to commit assault in the attack on Kerrigan in Detroit last week. The charge is a felony punishable by up to 10 years in prison and a \$100,000 fine. Meanwhile, indictments unsealed Friday said Stant, Eckardt and Smith conspired in late December to "unlawfully and intentionally cause physical injury to Nancy Kerrigan by means of a dangerous weapon, by striking the dangerous weapon." District Attorney Michael Schunk declined to comment on the roles each of the men played in the attack, nor would he answer any other questions from reporters, including whether more warrants are expected. A Portland radio station reported that Stant was Smith's nephew. The Oregon newspaper said Stant was accused of being the hit man in the attack on Kerrigan. Stant checked into a suburban Detroit motel on Jan. 4 and remained there until Jan. 7, the day after the attack, investigators said in a report in Friday's Detroit News. Smith is believed to have stayed in the same motel. Kerrigan was forced to withdraw from the U.S. Figure Skating Championships Jan. 6 after she was struck above the knee by a man wielding a club. Harding and the championships and both were named to the Olympic team. There was no indication that Harding was involved in planning the attack, the authorities said, disputing a report by a Boston television station that a sealed warrant contained her name. Fox News officials said law enforcement officials are saying that Smith acted as the getaway driver in the attack. The authorities said an arrangement was scheduled later Friday. The Detroit police chief, Isiah McMillin, said on NBC television Friday morning that more charges were possible in Michigan. He did not say who might be charged or specify any charges. "We're here in Detroit, the Detroit Police Department, are working with the local FBI and with the Wayne County Prosecutor's Office to solidify any possible prosecution from our end," he said. On Monday, before specific allegations surfaced, Harding and Gillooly denied any involvement in the attack. Thursday night, Harding's attorney, Dennis Rawlinson, declined comment about the case. Harding's relatives and some reports have depicted Gillooly as a jealous man who abused Harding and restricted her access to other people. The U.S. Olympic Committee and the U.S. Figure Skating Association said that as long as Harding was not implicated in the attack, she had the right to remain on the Olympic team. Skating officials said Friday that Kerrigan could be back on the ice as early as Monday. After two days of physical therapy, her knee has shown significant improvement, the association said. The USFSA statement said Kerrigan could be back on the ice as early as Monday or Tuesday. (AP, Reuters)

## SCOREBOARD

### BASKETBALL

#### NBA Standings

Atlantic Division	Central Division	Pacific Division	SE Division	SW Division
New York 23, 7	Chicago 21, 1	San Antonio 21, 1	Phoenix 21, 1	Portland 21, 1
Orlando 19, 5	Indiana 19, 5	Golden State 19, 5	Utah 19, 5	San Jose 19, 5
Atlanta 14, 10	Charlotte 14, 10	Phoenix 14, 10	Los Angeles 14, 10	Memphis 14, 10
Philadelphia 13, 11	Cleveland 13, 11	Portland 13, 11	San Diego 13, 11	San Antonio 13, 11
New Jersey 12, 12	Washington 12, 12	Los Angeles 12, 12	Phoenix 12, 12	Portland 12, 12
Washington 11, 13	Atlanta 11, 13	San Antonio 11, 13	Golden State 11, 13	Phoenix 11, 13
Charlotte 10, 14	Phoenix 10, 14	Portland 10, 14	San Jose 10, 14	San Antonio 10, 14
Indiana 9, 15	San Antonio 9, 15	Golden State 9, 15	Phoenix 9, 15	Portland 9, 15
Atlanta 8, 16	Charlotte 8, 16	Phoenix 8, 16	Los Angeles 8, 16	Memphis 8, 16
Philadelphia 7, 17	Cleveland 7, 17	Portland 7, 17	San Diego 7, 17	San Antonio 7, 17
New Jersey 6, 18	Washington 6, 18	Los Angeles 6, 18	Phoenix 6, 18	Portland 6, 18
Washington 5, 19	Atlanta 5, 19	San Antonio 5, 19	Golden State 5, 19	Phoenix 5, 19
Charlotte 4, 20	Phoenix 4, 20	Portland 4, 20	San Jose 4, 20	San Antonio 4, 20
Indiana 3, 21	San Antonio 3, 21	Golden State 3, 21	Phoenix 3, 21	Portland 3, 21
Atlanta 2, 22	Charlotte 2, 22	Phoenix 2, 22	Los Angeles 2, 22	Memphis 2, 22
Philadelphia 1, 23	Phoenix 1, 23	Portland 1, 23	San Diego 1, 23	San Antonio 1, 23

#### Major College Scores

West	East
Arizona 74, Stanford 67	North Carolina 74, Duke 67
California 74, Oregon 67	Florida 74, Georgia 67
Illinois 74, Michigan 67	Ohio State 74, Wisconsin 67
Nebraska 74, Iowa 67	Penn State 74, Maryland 67
South Carolina 74, Clemson 67	Texas 74, Oklahoma 67
Virginia 74, Wake Forest 67	Yale 74, Harvard 67

#### THURSDAY'S RESULTS

## Jordan in Wichita's Field of Dreams

WICHITA, Kansas (AP) — The Wichita Wranglers have a message for Michael Jordan: If that thing with the Chicago White Sox doesn't work out, he's got to come home with the Wichita minor league baseball team.

The Wranglers, the San Diego Padres affiliate club in the Double-A Texas League — the second level of minors down from the majors — on Thursday offered Jordan a starting job in Thursday's edition of the Chicago Tribune.

In an interview published in Thursday's edition of the Chicago Tribune, Jordan, 30, said he hoped to play with the White Sox. The Wranglers said he did not respond immediately to their offer, terms of which were not disclosed.

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